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***Action Ottawa***

**Affordable Housing Initiative**

**REQUEST FOR PROPOSALS**

**RFP No. AO2012-1A**

**Submission Deadline:**

**4:00pm on Wednesday, April 4th, 2012**

**Submissions must be delivered to:**

City of Ottawa   
Affordable Housing Unit

Housing Services Branch

Community & Social Services Dept.  
**100 Constellation Crescent, 8th Floor**

Ottawa, Ontario K2G 6J8

**January 27th, 2012**



##### Table of Contents

Page Number

Executive Summary 3

1. Action Ottawa Incentives…. 4
   1. Development and Construction Incentives…………………..4
   2. Physical Accessibility .......... 5
   3. Proposal Development Funding ……5
   4. 800 Montreal Road…………………………………………..6

2.0 Scope of Work 7

2.1 Action Ottawa General 7

2.2 Objectives of this Request for Proposals 8

2.3 Supportive Housing 11

2.4 Mixed Income Communities 11

2.5 Development Program 12

3.0 Proposal Evaluation and Selection Process 12

3.1 Timeline Key Milestone Dates………. 14

3.2 Mandatory Requirements for the RFP 14

* + 1. Proof of Incorporation 14
    2. Written Confirmation of Partnerships 14
    3. Affordable Rent Requirements 15

3.2.4 Pre-consultation with Planning/Building 15

3.2.5 Letter from Financial Institution or Lender 15

3.2.6 Insurance Requirements 16

3.2.7 Good Standing with the City 16

3.2.8 Proponent Equity Requirements 16

3.2.9 Maximum Unit Size 17

3.3 Core Rated Criteria of this RFP 18

3.3.1 Development Team Competencies 18

3.3.2 Examples of Similar Projects 18

3.3.3 Design Concept 19

3.3.4 Project Feasibility and Sustainability 20

3.3.5 Property Management Plan 21

3.4 Preference Criteria of the RFP that will be Scored 22

3.4.1 Affordability 22

3.4.2 Energy Efficiency 22

3.4.3 Community Consultation 22

3.4.4 Proponent Contribution 23

3.4.5 Accessibility and Visitability 23

4.0 Legal Agreements………………………………………………... 23

5.0 Proposal Submission Requirements………………………………24

5.1 General 24

5.2 Submission Package Checklist 25

6.0 Additional Information……………………………………………26

6.1 Inquiries 26

6.2 Contracting Authority 26

6.3 City Procurement Policies 27

Appendix A: Eligibility Checklist and Evaluation Scoring Matrix 32

Appendix B: Accessible Unit and Universal Design

Standards for Visitable Housing 34

Appendix C: Target Rents .36

Appendix D: Infrastructure Ontario Contacts 38

Appendix E: Calculating the City’s Return on Investment 39

Appendix F: Agreements, Project Milestones and Payment

Schedules 41

Appendix G: Mandatory Insurance Requirements 42

Appendix H: Potential Environmental and Building Improvements

to exceed energy use in the MNEBC 47

Appendix I: 800 Montreal Road……………..……………………….48

##### Executive Summary

The City of Ottawa, hereafter referred to as the City, is seeking multiple submissions to develop affordable rental and supportive housing with funding from the Investment in Affordable Housing for Ontario (IAH) Program. The intent of this Request for Proposals is to advance rental housing development by targeting primarily new construction, including additions and extensions, and in some cases acquisition and rehabilitation projects, as well as major renovation projects where there is a change in use from non-residential to residential. Affordable rental housing units considered under this program must remain affordable and operate in accordance with the City of Ottawa’s Below Market Rent Guidelines for a minimum of 35 years; **however, the preference is to exceed the minimum requirements.**

This request for proposals is issued under the City’s Action Ottawa program, which provides a package of incentives for private and non-profit developers who build housing affordable for low-income households in Ottawa. Partnerships between the non-profit sector and private sector are encouraged, as well as partnerships between housing providers and support service agencies. Proponents are also expected to incorporate energy efficiency and sustainability in their proposal.

The deadline for proposal submissions is **4:00pm on Wednesday, April 4th, 2012**. A Selection Committee including staff from the Housing Services Branch, Planning and Growth Management Department, and individuals with expertise in finance, housing construction and development, and affordable housing will evaluate submissions according to the evaluation framework presented in this document. Recommendations from the Selection Committee will be forwarded to the Ministry of Municipal Affairs and Housing (MMAH) for approval.

***800 Montreal Road***

The development of 800 Montreal Road, purchased for $1 by the City under the Surplus Federal Real Property for Homelessness Initiative (SFRPHI) from the Federal Government is a priority in this RFP. **Under SFRPHI only non-profit organizations will be eligible to apply to develop the lands and acquire the property.** Depending on the nature of proposals received, the property at 800 Montreal Road is expected to hold between 60 to 90 dwelling units.

Additional information pertaining to 800 Montreal Road is availablein **Appendix I** of this document.

**Proponents planning to submit a proposal for 800 Montreal must contact Saide Sayah, email:** [**saide.sayah@ottawa.ca**](mailto:saide.sayah@ottawa.ca)**, to obtain a complete electronic reference package available on CD.**

**1.0 Action Ottawa Incentives**

* 1. Development and Construction Incentives

Action Ottawais the City’s program to assist private and non-profit developers in building new affordable rental housing for moderate and low-income households. Action Ottawa bundles fee relief and tax reductions (i.e., new multi residential tax rate) together with capital grants and in some cases City-owned land.

The Action Ottawa package of incentives for this RFP includes up to $120,000/unit in combined provincial and federal funding from the Investing in Affordable Housing for Ontario (IAH) Program. A higher per unit allocation of up to $150,000/unit may be considered for projects that are more costly in response to housing tenants with complex or specific needs (such as for accessible units, supportive housing projects or to accommodate units for large families) provided that the funding is available and that the grant does not exceed 75% of a project’s total capital cost (lesser of the two as per the IAH guidelines).

Action Ottawa incentives include:

1. Capital grant up to $120,000 per dwelling unit;
2. Capital grant up to $150,000 per dwelling unit may be considered for accessible units, supportive housing for persons with complex needs or for units that accommodate large household sizes;
3. Relief from municipal development charges, planning application fees and parkland levies;
4. Reduced municipal property taxes (equivalent to the residential rate);
5. Grant in lieu of building permit fees; and
6. Grant in lieu of school board development charges.

For 800 Montreal Road, Action Ottawa Incentives include:

1. Capital grant up to $120,000 per unit;
2. Capital grant up to $150,000 per dwelling unit may be considered for accessible units, supportive housing for persons with complex needs or for units that accommodate large household sizes;
3. Relief from municipal development charges, planning application fees and parkland levies;
4. Reduced municipal property taxes (equivalent to the residential rate);
5. Grant in lieu of building permit fees;
6. Grant in lieu of school board development charges.
7. A grant valued up to $1.700,000.00 to offset the acquisition cost, with the grant to be included in the contribution agreement between the City and the selected housing provider, subject to:
   1. Any easements that may be required
   2. The provision of the right of first refusal/option in favour of the City to repurchase the property in the event of sale for the sum of $1.00
   3. The provisions of the negotiated contribution agreement
   4. Conditions as stated in the SFRPHI program requirements and relevant agreements (Refer to **Appendix** **I** for additional information).

Please note that no rent supplements or housing allowances may be assumed to assist in meeting the affordability targets for any proposals. The capital contribution is intended to provide enough up-front funding to reduce development costs to achieve affordable rents without the need for ongoing rental subsidies.

**1.2 Physical Accessibility**

The City encourages Proponents to build projects that are wheelchair accessible and promote the concept of universal access. Project designs should be made accessible and visitable to the greatest extent possible. The city recommends that where possible, a minimum of 10 % of units should be accessible with the minimum requirement of no less than 5% of units to qualify for funding. Criteria for accessibility and visitability are included in **Appendix B**. Accessible units may be eligible for additional grant funding up to $30,000 per unit for a total capital grant of $150,000 per unit provided that the total grant for the project does not exceed 75% of the project cost. Proposals should provide a rationale or estimated statement of costs to justify the amount of additional funding requested.

**1.3 Proposal Development Funding**

Payments for projects will be made based on completion of construction milestones established between the Affordable Housing Unit and successful proponents. MMAH will flow funding to the City based on the completion of three major milestones as outlined in Table 1 below. The City will be required to forward signed project checklists to the Ministry confirming fulfillment of conditions for each payment request.

|  |  |
| --- | --- |
| **Table 1** | |
| **Construction Milestones** | **Milestone Payment** |
| * Signing of contribution agreement (CA) * Registers notice of CA & securities on title * Issuance of 1st Building Permit | 50% |
| * Occupancy certificate received | 40% |
| * End of 45-day lien period * Confirmation of Occupancy * Submission of Initial Occupancy Report | 10% |

The City in limited circumstances may consider providing a pre-development loan of up to $50,000 to successful non-profit organizations with limited funds who have completed significant predevelopment work to date. The loan is interest free, will be secured through the contribution agreement, and is payable to the City when the proponent receives their first capital funding payment.

##### 1.4 800 Montreal Road

Housing Services acquired the property, known municipally as 800 Montreal Road and identified as Part 3 on the attached survey plan, from the Federal Government under the Surplus Federal Real Property for Homelessness Initiative (SFRPHI). ***Under SFRPHI only non-profit organizations will be eligible to apply to develop the lands and acquire the property.*** The lands are to be developed to provide affordable housing in the community under the Action Ottawa Initiative and the (IAH) Program. It is anticipated that the proposed development will be comprised of approximately 60 to 90 units. It is the City’s requirement to provide new affordable housing on the site for households with children and/or supportive housing. Schedule I provides additional site information.

The housing provider shall be responsible for the following:

1. Enter into an agreement of purchase and sale with the City of Ottawa;
2. Enter into a contribution agreement with the City of Ottawa;
3. Accept transfer of agreements and responsibility under the SFRPHI program and relevant agreements;
4. Accept default provisions of SFRPHI Agreement - A default in a construction start deadline, or other defaults as stated in the contribution agreement, the proponent will be required to pay the fair market value (FMV) of the land at the time of the default, with the amount being no less $1,700,000;
5. Utilize the lands for affordable housing purposes for a minimum of 15 years under SFRPHI and 35 years under Action Ottawa;
6. Adhere to the development requirements as stipulated by Canada Lands Company (CLC);
7. Accept payment of the land transfer taxes (estimated at $24,000);
8. Adhere to the construction deadlines as negotiated in the contribution agreement between the City and selected proponent which will be in accordance with the IAH program and agreed upon revised construction deadlines established under the SFRPHI program and approved by Human Resources and Skills Development Canada (HRSDC);
9. Agree to not sell the property without first giving to the City the option to re-purchase the property, free from encumbrances, at a price not exceeding the original purchase price of the property, plus the market value of the improvements.

Additional information pertaining to 800 Montreal Road is availablein **Appendix I** of this document.

**Proponents planning to submit a proposal for 800 Montreal must contact Saide Sayah, email:** [**saide.sayah@ottawa.ca**](mailto:saide.sayah@ottawa.ca) **to obtain a complete electronic reference package available on CD.**

##### 2.0 Scope of Work

##### 2.1 Action Ottawa General

##### Action Ottawa is the City’s primary program for increasing the supply of low-income affordable housing in Ottawa. The program is designed to facilitate the development of mixed income communities that are well designed and well managed, and built on a scale that ensures integration within the neighbourhood.

There are approximately 10,000 households on the Social Housing Registry waiting list, for subsidized housing. There is a need for all household unit sizes from bachelors to five bedroom units. Action Ottawa supports the development of all types of housing units that will help to address the needs of households on the waiting list.

* 1. **Objectives of this Request for Proposals**

This RFP is aimed at creating additional new rental stock for low to moderate-income households, and making a majority of those units available to households on the Social Housing Registry waiting list. In order to address the most pressing housing needs in the City and IAH Program Guidelines, proposals must demonstrate a realistic time frame that provides for a construction start date within 120 days of signing a contribution agreement, which must be executed before December 31st, 2012.

Eligible projects under the New Rental Housing Component of the Program must be one of the following:

1. New construction, including additions and extensions;
2. Acquisition and rehabilitation of buildings that are in danger of being lost to the rental housing stock;
3. Acquisition and conversion of non-residential buildings or units to purpose built rental buildings/units.

Projects that are not eligible are:

1. Secondary Suites in ownership housing
2. Nursing and retirement homes
3. Social Housing that receives ongoing Federal subsidies
4. Shelter and crisis care facilities
5. Ownership housing

Construction of new rental housing on social housing lands may also be eligible provided that the appropriate consent is acquired. As per the ***Housing Services Act, 2011***, Service Managers (SMs) will be responsible for providing certain consents rather than the Ministry starting January 1, 2012.

Proposals are required to consist of a minimum of 7 rental dwelling units post completion and per submission. Large and medium size projects should properly address issues of neighbourhood compatibility, scale and integration.

**Primary Objective:**

To achieve a maximum number of rental housing units that are permanently affordable or affordable for the long term to (1) Low Income Households with Children, and/or (2) Persons who require Supportive Housing.

The City has allocated $9.1M in Year 2 (2012) IAH capital funding and $4M from the City funded Housing and Homelessness Investment Plan to develop approximately 110 units of affordable housing under this Action Ottawa RFP to:

* Increase the supply of rental housing for low income households with children, facilitating the development of 2 to 5 bedroom units
* Increase the supply of affordable rental housing for low-income persons who require supportive housing
* Provide additional units for persons with disabilities and households with children who require a wheelchair accessible unit

Proposals that target other tenant groups may be considered by the selection committee.

**Secondary Objective:**

**To reduce the operating cost to owners and/or tenants through green building technology, energy and water conservation measures, and ecological sustainability of the building sites.**

Several energy efficiency measures are now required in projects funded under the New Rental Housing Component. Buildings must either meet or exceed the minimum energy efficiency requirements of the proposed 2012 Ontario Building Code and/or related amendments in the 2006 Ontario Building Code. These include:

* The energy efficiency of building design for buildings under Part 3 of the Building Code must be higher than the reference building designed to the Model National Energy Code for Buildings (MNEBC), or 18% higher than the reference building designed to ASHRAE 90.1 – 1999 (without amendments);
* ENERGYSTAR-rated products must be used when available;
* Building design for buildings under Part 9 of the Building Code must at minimum meet the performance of Energuide 80 or equivalent;
* Successful proponents will be required to confirm that all submitted projects meet or exceed this requirement through the development and submission of a building energy model completed by qualified professionals and integrated into the project design with confirmation from the project architect or engineer.

**Smart Meters**

Proponents who decide to install smart meters (either in directly metered units or by submeter) in their social or affordable rental buildings should refer to the *Electricity Act, 1998,* to ensure that the installation of the meters does not contravene the legislation. Proponents may also contact the Ontario Energy Board to confirm if the installation of meters (individual and/or sub-meters) is currently authorized and who is authorized to install the metering equipment. For further information, please contact the Ontario Energy Board’s (OEB) Consumer Relations Centre at 1-877-632-2727 or 416-314-2455, or go to [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca).

**Suite Meters**

As of January 1, 2011, it is mandatory that suite meters be installed in all new social and affordable housing units. The *Energy Consumer Protection Act, 2010* and Ontario Regulation 389/10 set out the rules for suite meter installation. For further information, please contact the Ontario Energy Board’s (OEB) Consumer Relations Centre at 1-877-632-2727 or 416-314-2455, or go to [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca).

**Other Energy Efficient Initiatives**

Proponents are encouraged to utilize all other incentives available in their location.

The Energy Efficiency Resource & Funding Guide provided by the Ministry of Energy and Infrastructure provides an overview of available programs at <http://www.mei.gov.on.ca.wsd6.korax.net/english/pdf/conservation/energyefficiency_funding.pdf>

Housing proponents are also encouraged to participate in the High Performance New

Construction program. Refer to the program’s website for more details at

<http://www.hpnc.ca/>

**Environmental Assessment**

Projects funded under the IAH are subject to the *Canadian Environmental Assessment Act* (CEAA). The City is required to check for compliance of the CEAA and provide confirmation to the ministry.

**Third Objective**

**To incorporate good site plan design and architectural principals to enhance the residential quality of life of tenants.**

Proposals should demonstrate good planning principles and quality residential design compatible with the property’s surrounding land uses, as well as consider Official Plan policies on Building Liveable Communities. Proponents should take into account the client group for which the proposal is being designed. For example, supportive housing proposals should provide adequate program administration space and/or shared facilities for common areas. The design program will vary depending on the agency and their target client group. The City expects that proponents will properly integrate their operational and design requirements and clearly illustrate this relationship in their proposal.

**2.3 Supportive Housing**

Proponents are encouraged to enter into discussions with a local service agency for supports to housing to determine whether there is a fit for supportive housing units within their project.

Any projects that do request and receive more than $120,000 in AHP funding are expected to provide the necessary support services to tenants and have rents (including utilities) commensurate with shelter allowance rates for individuals on Ontario Works or the Ontario Disability Support Program. The expected rents for the supportive housing units are provided in **Appendix C**.

Proposals submitted with a support component must include a letter from the individual partner agency documenting the intent and commitment to enter into the necessary agreements to ensure services are provided, based on the identified support service needs.

**2.4 Mixed Income Communities**

The Action Ottawa Program encourages mixed income communities. Projects that house tenants with a variety of income levels have been shown over time to work well. Action Ottawa recommends a mix of at least 60% of the units at below average market rent and a maximum of 40% average market rent units. Proposals may not exceed the 40% limit for average market rent units. Proponents are encouraged to exceed the minimum affordability requirements, and preference is given in the evaluation for doing so. Integrated projects are welcome and partnerships with support agencies are encouraged.

**2.5 Development Program**

Affordable housing should be modest and durable, achieving cost efficiencies where possible. The design program should consider the following:

* Minimum 5% of units fully wheelchair accessible is required, 10% is preferred – CAN/CSA-B651-04 Barrier Free Design.
* Visitability –Incorporate universal design standards for accessibility so that building(s) are “barrier free” for visitors. (CSA B651-04)
* The rent may or may not include heat. In existing residential stock heating costs are usually borne by the operator in apartment buildings, while tenants usually bear the costs in townhouses. Rents and estimated utility charges must be provided in the attached capital budget worksheets.
* Maximize density on the site, while ensuring that the building form and site plan integrates well with the surrounding community.

##### 3.0 Proposal Evaluation and Selection Process

The following section outlines the mandatory program requirements and the rated criteria of the RFP. The evaluation of proposals occurs in three stages. Proposals failing to meet the requirements at any stage will not advance to the next stage.

# Stage One: Mandatory Eligibility Requirements

The mandatory criteria are described in Section 3.2 and an eligibility checklist is provided in **Appendix A**. Proposals will be evaluated to ensure all mandatory eligibility requirements are met. Proposals failing to meet **any one** of the eligibility requirements will be disqualified from further evaluation.

# Stage Two: Core Rated Criteria Evaluation

The proposal will be evaluated against the Core Criteria Elements (described in Section 3.3.1 – 3.3.5). Proposals must achieve 70% or greater on ***each*** of the core evaluation criteria in order to be considered further. Proposals failing to achieve 70% or higher will be eliminated from the competition.

# Stage Three: Preference Criteria Evaluation

Proposals that pass Stage Two will be scored on the preference criteria outlined in Section 3.4. Proposals that receive the highest total points combining Stage 2 and Stage 3 will be selected and recommended for funding.

**Selection Process:**

The Selection Committee will be comprised of City staff and external members. The Selection Committee will review all submissions received and score the submissions using a consensus approach in relation to the criteria and points that are identified.

***The City reserves the right to request clarifications from one or more of the proponents and may request a presentation from one or more proponent teams prior to finalizing project scores during Stage 3 of the selection process.***

**Basis of Selection:**

The City intends to recommend for funding the Proponent(s) that passes all Mandatory Requirements of Stage 1, achieves a minimum score of 70% of the points available for each rated criteria in Stage 2, and achieves the highest combined score out of the 130 points available for the rated criteria in Stages 2 and 3. The Proponent selection is subject to available funding and approval by the City of Ottawa in accordance with the provisions of the Purchasing By-Law.

**\*\* Note to Proponents:**

It is essential that the criteria contained in the proposal submission be stated in a clear and concise manner. Failure to provide complete information as requested will be to the proponents disadvantage. Submissions should be submitted in the format requested with an index. If a Proponent feels that any conditions will restrict it unnecessarily in any way, they should so state in its submission. Any deviation from the stipulated conditions should be provided in detail with an explanation as to why they are being proposed. It is the responsibility of the Proponent to obtain clarification of the requirements contained herein, if necessary, prior to submitting a proposal.

Each submission will be evaluated solely on its content. Evaluation of the submission commences immediately after the closing date. **The City does not accept submissions submitted by facsimile transfer machines or electronic mail.**

The City reserves the right to accept or reject any or all submissions received, and to seek clarification from one or more Proponents on the contents of their submission.

The Proponent is responsible for any and all costs associated with its submission.

Copies of this Request for Proposals document are available from the **City of Ottawa** Housing Services Branch by email request to Saide Sayah at [Saide.Sayah@ottawa.ca](mailto:Saide.Sayah@ottawa.ca) or Julia Langhorn at [Julia.Langhorn@ottawa.ca](mailto:Denise.Heringer@ottawa.ca) . If a Proponent obtains this document through other means, the accuracy of the document and receipt of any addendum is the sole responsibility of the Proponent.

**3.1 Timeline - Key Milestone Dates**

|  |  |
| --- | --- |
| Milestones | **Expected Date** |
| Release RFP to proponents previously identified through Affordable Housing email networks | Friday, January 27th, 2012 |
| **Information Sessions**  *Attendance and registration at* ***one of two sessions is mandatory*** *for proponents who wish to submit a proposal.* A minimum of one person on a proponent team or agency will need to attend. | *Monday, January 30th, 2012, from 9:30 am to 11:30am in the old Council Chambers at Ben Franklin Place, 101 Centrepointe Drive.*  *Thursday February 23rd, 2012 from 1:30 pm to 3:30 pm in the old Council Chambers at Ben Franklin Place, 101 Centrepointe Drive.* |
| Deadline for Inquiries | Friday March 23rd 2012 |
| Submission Due Dates | 4:00pm on Wednesday, April 4th, 2012 |
| Selection Committee Meeting(s) | April 2012 |
| Provincial Approval | May 2012 |
| Negotiation with successful proponent | June 2012 |
| Legal Agreements Executed | September – December 2012 |

##### Mandatory Eligibility Requirements for this RFP

* + 1. **Proof of Incorporation**

The proponent must be incorporated provincially or federally. The proponent must provide proof of incorporation, the most recent annual report and audited financial statements.

* + 1. **Written Confirmation of Partnerships**

If the proponent is working in partnership with another organization where there is an equity interest or support service arrangement, the proponent must provide written confirmation from the partner agency that demonstrates the nature of the partnership and what the partner agency is agreeing to provide. This written confirmation should include a resolution of the Board of Directors of the partner organization.

* + 1. **Affordable Rent Requirements**

Rents for units funded under Action Ottawa must not exceed the most recently published Canada Mortgage and Housing Corporation (CMHC) Average Market Rent. (See **Appendix C**). At least 60% of the units provided must be at rents affordable to lower income households at rents that are 30% below AMR or lower. Lower rent units must be rented to tenants drawn from the Social Housing Registry Centralized Waiting List.

The maximum rent for tenants on Ontario Works (OW)/Ontario Disability Support Program (ODSP) must not exceed the designated shelter allowance for the clientele (See **Appendix C**).

* + 1. **Pre-consultation with Planning and/or Building Branch**

The Proponent must meet with a City Planner or Development Information Officer prior to submitting their proposals. The purpose of the meeting is to obtain feedback from the Planning and/or Building Branch as to how well the proposed plan meets the City’s objectives as laid out in the Official Plan and zoning by-law, and to understand any issues and required applications (e.g., building permit, minor variance, licensing etc.) that might affect the development of the proposed plan, should it be successful.

Meetings with a Development Information Officer to discuss your proposal can be arranged by visiting a Client Service Centre or calling the City of Ottawa at (613) 580-2424.

* + 1. **Letter from Financial Institution or Lender**

The proponent must include documentation from a reputable Financial Institution or Lender indicating the lender has reviewed the proposal and that the project can be considered for financing based on their preliminary review.

* + 1. **Insurance Requirements**

Proponents must read the mandatory insurance requirements set out in **Appendix G** and include the cost to meet these requirements in the capital budget. At the time of execution of contracts with the City, the successful proponent will be required to provide proof of insurance and evidence from a reputable, licensed insurance broker in the respondents ability to obtain a comprehensive contractor-controlled insurance program, for insurance acceptable to the City, to protect the proponent, its team members, contractors, sub-contractors, consultants, and the City with respect to the provisions of Attachment H.

* + 1. **Good Standing with the City of Ottawa**

The proponent must be in good standing with the City of Ottawa with respect to any existing contracts. The proponent must not be in receipt of a Notice of Breach of any existing contracts that has not been rectified to the City’s satisfaction, by the time of closing of this RFP.

* + 1. **Proponent Equity Requirement**

For-profit proponents must contribute a minimum of 10% of the project value. In the case of a for-profit proponent in partnership with a non-profit corporation the requirements are to contribute a minimum of 4% of the project value. The project value is the actual cost to construct the project (hard and soft costs) and the value of the land as presented in a capital budget approved for mortgage insurance purposes. No minimum contribution is required from non-profit proponents, but it is strongly encouraged.

**Proponents are also required to show proof that they have secured the site for which the proposal applies (or) have a pending offer to purchase or lease the subject site or building.**

* + 1. **Maximum Unit Size and Minimum Unit Count**

Rental units must not exceed the maximum unit sizes listed below. Modest exceptions will be made for units that *are wheelchair accessible* and *for two or three bedroom units where one or more bedrooms is designed to accommodate more than one individual.*

**A minimum of 7 dwelling units, post completion, is required for proposals to be accepted and funded.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Unit Type | Bachelor | One Bedroom | Two Bedroom | Three Bedroom | Four Bedroom |
| Apartment | 41.8 m2 | 60.4 m2 | 79.0 m2 | 92.9 m2 | 112.5 m2 |
| Townhouse | N/A | 65.0 m2 | 83.6 m2 | 102.2 m2 | 121.8 m2 |

A dwelling unit is defined as a self-contained room or suite of rooms located in a building or structure that is operated as a housekeeping unit and is used or intended for use as residential premises by one household and which contains kitchen and bathroom facilities that are intended for the exclusive use of that household.

Dwelling units must be self-contained to receive full funding per unit, based on a cost analysis.

Housing proponents who wish to develop congregate living buildings (units with shared living spaces) will need to consult with Housing Services Branch staff and provide a rationale to be considered for funding by the Housing Services Branch and MMAH.

##### Core Rated Criteria of this RFP

The following Point Rated Criteria will be used to evaluate each submission. The Point Rated Criteria provide for a maximum score of 130 points. Proponents should provide a detailed written submission responding to each criterion set out below.

* + 1. **Development Team Competencies (25 Points)**

The proponents and/or the development team should demonstrate experience/expertise in each of the areas of: housing project development, residential construction, project management and rental housing management. Provide a brief company profile for the proponent and each team member. In addition to these areas, teams should demonstrate expertise and years of experience relative to the key competencies listed below:

1. Development experience with urban infill developments;
2. Experience with the City’s Planning and Building processes including public consultation;
3. Development experience with affordable housing projects;
4. Experience working with a variety of community and public sector interests in a development project; and
5. Experience implementing sustainable development principles and environmentally sustainable development approaches including building systems, building materials and technologies that reduce or minimize energy and water consumption.

Proponents should demonstrate that they can provide the requested expertise and competency by identifying the proposed individual(s), describing their experience and competency and appending a resume for the individual(s).

* + 1. **Examples of Similar projects (10 Points)**

Describe at least **one** and up to **three** building and/or design programs that are of similar scope and magnitude to the development that you are proposing, and the relevant experience of the project development team members with these projects. This should include an affordable housing development project with a building program similar in size and scope to your project.

For the project submitted, please provide (preferably no more than one page single sided):

1. A brief description of the project. Include site details including: the site size, net residential development area, number and type of residential units, average unit size and bedroom counts, total project cost, sale price/rent structure.
2. The total capital investment, including project financing sources.
3. The project duration including start and end dates, and if, in fact, the project is complete.
4. Development team members who worked on the project that will be working on the subject proposal.
5. Reference contact information for each project described. The City reserves the right to contact your references to verify the information provided in your submission.

Projects will be reviewed for applicability/comparability to the proposed development project and the extent to which the project team was involved in the project. References will be used to validate information provided by the Proponent.

* + 1. **Design Concept (25 Points)**

The Proponent is to provide a concept plan that illustrates in a general, high-level way the proposed development. The Concept plan should include a conceptual site plan with general landscape elements (to scale) and elevation drawings where possible, without proponents incurring costs that they would not recover should their proposal not be selected for funding. Where acquisition and rehabilitation is proposed, proponents should provide sufficient information to ensure that the funds requested can in fact, cover various expenses for proposed and unexpected capital repairs and renovations. Such documentation may include building audit summaries, Phase I Environmental Site Assessments, engineering/architectural reports etc.

The City is particularly interested in the total unit count and type of units (i.e., bedroom count and built form) the proponent proposes to develop, and the proposed building massing on the site, and any sustainability/energy efficiency features of the site design or in the proposed renovations. The following matters are to be addressed on the plan and/or as part of a submission with the plan:

1. Conceptual site plan: illustrating building footprints, egress and access, parking, setbacks for property line and adjacent buildings on neighbouring properties.
2. Proposed floor plans and building elevations: The design should illustrate a sensitive approach to developing and/or redeveloping a site in relation to the abutting land uses.
3. Sustainability/Energy Efficiency Features: The design concept should highlight any elements that are aimed at achieving the City’s goal of maximizing energy efficiency and sustainability of the site as well as complying with or exceeding the 2012 Building Code requirements.
4. Acquisition and Rehabilitation Proposals: the drawings provided should highlight any changes proposed for dwelling units, common areas and the building and site in general.

# Document Review:

The City’s Official Plan requires a sensitive approach to differences between the new development and the established area in terms of building height, setbacks, and other characteristics to ensure that the new development is compatible with its surroundings, while allowing for gradual evolution of architectural style and innovation in built form. The Official Plan and Infill Design Guidelines should be reviewed when proposing new construction or additions to existing buildings:

City of Ottawa Official Plan:

<http://ottawa.ca/city_hall/ottawa2020/official_plan/index_en.html>

Infill Housing Design Guidelines for low and medium density housing:

<http://ottawa.ca/residents/planning/design_plan_guidelines/completed/infill_housing/index_en.html>

* + 1. **Project Feasibility and Sustainability (30 Points)**

The Selection Committee will assess the development timeline, capital budget, operating budget, proposed financing, and value for money. The City conducts a detailed financial analysis of the project including a 25 year cashflow analysis, mortgage viability test, and comparison of operating costs to industry norms. This analysis helps to determine whether the project as presented is feasible, viable and sustainable. Submit a development timeline with your proposal and complete the Capital and Operating budget forms provided in the application package. Failure to submit the completed budget forms may result in your proposal being considered non-responsive and no points would be awarded.

This analysis is important as there are no ongoing subsidies provided for the ongoing operation of the project. It must be able to generate a reasonable cashflow to ensure that unexpected changes in revenue do not jeopardize the viability of the project in the long term. While the financial institution is interested in protecting its investment in the market value of the project, the City is interested in protecting its investment in the long-term affordability of the project.

The City also conducts an analysis to determine value for money. What is the City getting back in terms of affordability from the investment? The City applies standard construction costs to determine an economic (break even) rent for the project based on what it would theoretically cost to construct and operate the project without capital subsidy from the City. We then calculate the difference between the economic rent and the affordable rent that will be charged. The dollar value of this difference is calculated over 20 years. The value of the “return” (affordable rent) is measured against the total value of the government investment of land, grants and fee relief (“City Investment”).

* + 1. **Property Management Plan (10 Points)**

Proponents should provide a Property Management Plan that explains how Property Management for the entire building will be carried out. Provide details of how staff will work with the tenants including security, tenant management, property management, and community development initiatives as applicable. Describe tenant involvement in property management, and include tenant support services, if applicable.

**For proposal submissions regarding acquisition of existing residential buildings, the proponent should have an occupancy plan in place to ensure that units are occupied in a timely fashion without undue displacement of existing tenants.**

* 1. **Preference Criteria for this RFP that will be scored**
     1. **Affordability (10 points)**

The primary objective of this RFP is to create a maximum number of affordable housing units on this site. Proponents may exceed the affordability requirements outlined in section 3.1.2 by providing rents below the 70% of Average Market Rent (AMR) target or more affordable units.

Proponents should demonstrate how the development meets the affordability objectives. Proposals that show a greater proportion of affordable units in the project will be rated higher than those that meet the requirements, bearing in mind that the principle of mixed income communities is an overall preference as described in section 2.5.

* + 1. **Energy Efficiency (5 points)**

Describe how your proposal will achieve the City’s objectives for a development that reduces energy and water costs to make the units more affordable. The secondary objective of the development proposal is to reduce operating costs to the owners and tenants through the use of sustainable (green) building technology and energy and water conservation measures, if feasible.

The City is committed to working with the successful proponent to ensure the development is as sustainable and energy efficient as possible, within the constraints of the funding available.

Energy efficient development at a minimum should include the use of only Energy Star appliances and meet the energy conservation objectives of the latest Ontario Building Code (OBC). The development should seek to exceed the MNECB. The energy efficiency measures that should be considered to achieve these targets are provided in Section 2.2 and **Appendix H**.

* + 1. **Community Consultation (5 points)**

Proponents should demonstrate competency with public processes that encourage community involvement and input. The ability to work effectively with public boards, committees and the general public through open and transparent consultation processes is necessary in the development process. Proponents should build adequate time into their development timeline to allow for community consultation and planning approvals.

* + 1. **Proponent Contribution ( 5 points)**

Describe the Proponent’s contribution to the project and how community contributions will be leveraged. Private sector proponents are expected to contribute a minimum of 10% equity to the project. Private sector proponents with a non-profit partner are required to contribute a minimum of 4% equity to the project. There is no equity requirement for non-profit proponents, however proponents are encouraged to contribute resources to the project that may include equity, in-kind contributions, benevolent financing, sweat equity, donations, support services, etc. Partnerships are encouraged to leverage community contribution to the project. Proponents demonstrating a contribution in excess of program requirements will be scored on the basis of what they are contributing and how well their project leverages other resources.

* + 1. **Accessibility and Visitability (5 points)**

Describe how your proposed development will achieve the City’s objectives for infill residential development as discussed in the Official Plan and more specifically the Residential Infill Design Guidelines. In addition to good planning and design the proposal should indicate to what extent it is accessible and visitable. The City is committed to becoming a more inclusive City, and to including accessible units for people with all types of disabilities in new housing that is developed. Scoring preference is given for projects that provide accessible units in excess of the 5% target on this project, and for the provision of a maximum proportion of units that are designed to permit a person with a physical disability to visit – or designed for “vistability”. Criteria for accessibility and visitability are included in **Appendix B**.

1. **Legal Agreements**

Successful proponents will be required to enter into a Municipal Housing Facilities Agreement or Contribution Agreement with the City of Ottawa. Copies of this agreement will be available upon request. **Appendix F** provides information on the agreements, project milestones and payment schedules, and **Appendix G** provides specific information on the insurance requirements.

Sample agreements may be obtained by contacting Julia Langhorn, 613-580-2424 x 43246

1. **Proposal Submission Requirements**
   1. **General**

**RFP Submission Content Requirements:**

Proponents are requested to provide brief submissions in a professional format, single-sided letter size pages, minimum 10 point font. Submissions should have an index and address the Mandatory Requirements and Criteria Subject to Point Rating in the order in which they appear in the RFP. Tabs are helpful for reviewers. Proponents should address all the City’s requirements as outlined in this document. Failure to respond to the detailed rated criteria, both core rated and preference, will be to the proponent’s disadvantage.

**Proposal Validity:**

Proposals shall remain valid and open for acceptance by the City for a period of **sixty (60) calendar days**, following the due date for receipt of proposals.

**Submission of Response to RFP:**

Provide **ten (10)** copies of your proposal submission and one electronic version on CD, in MS Word, in a sealed envelope clearly identified as to contents and addressed to:

City of Ottawa   
Affordable Housing Unit

Housing Services Branch

Community & Social Services Dept.  
**100 Constellation Crescent, 8th Floor**

Ottawa, Ontario K2G 6J8

**ATTN: Saide Sayah**

Submissions in response to the RFP **MUST** be received at this location **NO LATER THAN:**

**4:00PM on Wednesday April 4th 2012**

**Submissions received after the above due date and time will not be considered, but will be returned unopened to the proponent.**

* 1. **Submission Package Checklist**

Submission Package must include:

1. The completed Proposal must include the Application Form with Attachments and the following sections: (10 copies)
   1. Proponent Mandatory Information
   2. Proposal, which should cover the following areas:
      1. Project and Development Team description
      2. Examples of Similar Project and references
      3. Design concept (Conceptual Site Plan, floor plans, elevations etc.)
      4. Capital and Operating Budgets
      5. Property Management Plan
      6. Development Schedule
      7. Affordability
      8. Energy Efficiency
      9. Community Consultation
      10. Proponent Contribution
      11. Accessibility and Visitability
2. Signed Signature Page (only 1 copy required)
3. Signed Conflict of Interest Form (only 1 copy required)
4. Signed and completed Provincial Forms (only 1 copy required)
   1. Form of Offer
   2. Tax Compliance Declaration
   3. Reference forms

**6.0 Additional Information**

Submissions will be evaluated on the content of the proposal, not the length. To assist the project selection team and staff, proponents are encouraged to be as concise as possible in providing the information requested.

**6.1 Inquiries:**

All inquiries regarding this Request for Proposal (RFP) are to be directed to the Contracting Authority specified herein. Inquiries must be received in writing (e-mail) no later than 4:00pm on **Friday March 23rd 2012.**All inquiries received, and the answers as provided by the Project Authority will be provided to all proponents by way of email, no later than March 28th 2012 without naming the source of the inquiry.

**Proponents are encouraged to register via email with Julia Langhorn, email: Julia.Langhorn@ottawa.ca to receive updates to this RFP.**

**6.2 Contracting Authority:**

For further information regarding the Request for Proposal, please contact:

City of Ottawa   
Affordable Housing Unit

Housing Services Branch

Community & Social Services Dept.  
**100 Constellation Crescent, 8th Floor**

Ottawa, Ontario K2G 6J8

Attention: **Saide Sayah**

Title: Program Manager

Telephone: (613) 580-2424 x43083

Facsimile: (613) 560-2648

E-mail: [**Saide.Sayah@ottawa.ca**](mailto:Saide.Sayah@ottawa.ca)

**Or**

Attention: **Julia Langhorn**

Title: Senior Housing Development Coordinator

Telephone: (613) 580-2424 ext.43246

Facsimile: (613) 560-2648

E-mail: [**Julia.Langhorn@ottawa.ca**](mailto:Wendy.Holliday@ottawa.ca)

Proponents are advised that all communications with the City related to this RFP prior to the closing date must be directly and only with the Contracting Authority.

**6.3 City Procurement Policies**

**Municipal Freedom of Information and Protection of Privacy Act**

The City of Ottawa is subject to the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.M.56, as amended (“MFIPPA”) with respect to, and protection of, information under its custody and control. Accordingly, all documents provided to the City in response to this Request for Proposals may be made available to the public unless the party submitting the information requests that it be treated as confidential.

Unless any information is specifically designated by the proponent to be confidential, the proponent hereby consents to disclose any information contained in its submission pursuant to the Municipal Freedom of Information and Protection of Privacy Act.

Proponents should clearly indicate any confidential information by stamping the page where it appears with the word “confidential”. The proponent should make it very clear as to which information is considered to be of a confidential or proprietary nature.

All information is subject to MFIPPA and may be subject to release under the Act, notwithstanding your request to keep the information confidential.

**Conflict of Interest**

Proposals are required to disclose to the City any potential conflict of interest. If a conflict of interest does exist as referred to above, the City may, at its discretion, withhold consideration of the qualification submission until the matter is resolved to the satisfaction of the City.

If, during the RFP or negotiation stages of the process, a proponent is in a conflict of interest or perceived conflict of interest, the proponent shall so inform the City and if a significant conflict of interest is deemed to exist by the City, then the proponent shall remove itself from the process or take such steps as are necessary to remove the conflict of interest.

**Code of Conduct for Proponents**

The City is committed to a selection process that is open, fair and defendable to all parties concerned and to these ends, the proponents must adhere to the code of conduct stipulated in these general terms and conditions.

In order for the City to provide the private sector with a consistent and efficient point of contact during the RFP process, all requests for information or clarification are to be made in writing and directed only to the Contracting Authority.

**Confidentiality and Disclosure of Information**

Proponents must not disclose any details pertaining to their submission and the selection process, in whole or in part, to anyone not specifically involved in their submission without the prior written approval of the City.

Proponents shall not issue a news release or other public announcement pertaining to details of their submission, or the selection process, without the prior written approval of the City.

Except as noted, communications between the proponents or their Team members and the City shall be treated as confidential during as well as after preparation and submission of the response to the RFP. In the event of any such breach of confidentiality by the proponent, the City at its sole and absolute discretion, may at any time reject any RFP submission by the proponent without further consideration and terminate that proponent’s right to continue in the process.

It is the requirement of this RFP for the potential proponent to treat all information obtained in connection with or arising out of this RFP process as property of the City.

Proponents must treat all information in a highly confidential manner and not use this information for any purpose other than for replying to this RFP and for the fulfillment of any related Agreement for the RFP phase. Without limiting the generality of the foregoing, proponents who are short-listed and/or invited to participate in interviews or any aspect of the RFP process subsequent to submissions, shall keep highly confidential all such developments and participation. All information pertaining to recommendations and information collected and processed for the City are for the sole purpose of the City at its discretion.

Information communicated by the City to the proponent, or by the proponent to the City, in the course of responding to this RFP shall not be either divulged or issued by the proponent on any other project unless prior approval in writing is obtained from the City.

Further, any information that is not common knowledge, and may therefore be considered confidential by the City that is acquired in the course of responding to this RFP, shall not be used or divulged by the proponent unless prior approval in writing is obtained from the City.

Notwithstanding the foregoing, the obligation of confidentiality shall not pertain to information which, was at the time of disclosure, or thereafter became part of the public domain; is required to be disclosed by law or court order, where in such cases, all reasonable attempts will be made to notify the City in advance of doing so.

All correspondence, documentation and information provided to the City by every proponent in connection with, or arising out of this RFP, and the submission of any Submission shall become the property of the City, and as a result, such Submissions are subject to Freedom of Information requests. Accordingly, Respondents are requested to identify any information in the Submission that, if disclosed, could cause injury. The City will make every effort to maintain the confidentiality of such information, but the proponent must be aware that the information may become public through requests for information and at all times due to the need for transparency and accountability in decisions made by the City. The City shall not be liable if any such confidential information becomes public or is disclosed.

**Changes to Proponent’s Team**

The City will not allow the replacement, substitution or addition of the identified members of a proponent’s team subsequent to the RFP submission closing date without the prior written consent of the City which consent may be withheld by the City.

In addition, any change, replacement, substitution or addition of a principal member of a proponent’s team subsequent to the RFP closing date may be grounds for disqualification without the prior written consent of the City.

**Claims or Litigation**

The City reserves the right not to accept a submission from any person or corporation which includes all non arms length corporations who, or which, have a claim or instituted a legal proceeding against the City of Ottawa or against whom the City has a claim or instituted a legal proceeding with respect to any previous contracts, bid submissions or business transactions.

**No Collusion**

Proponents must ensure that their participation in the selection process is conducted fairly and without collusion or fraud. Proponents and their Team Members shall not discuss or communicate, directly or indirectly with any other proponents regarding the preparation or submission of their responses to this RFP.

No Lobbying

Proponents for their Team Members or anyone involved in the Team will not engage in any form of political or other lobbying whatsoever with respect to this project or to influence the outcome of the process. In the event of any such lobbying, the City, at its sole and absolute discretion, may at any time reject any RFP submission by that proponent without further consideration and terminate that proponent’s right to continue in the process. All correspondence or contact by interested parties with the City must be directly and only with the City’s Contracting Authority, identified herein.

Team Membership

The proponent or Lead Team Member may not form part of more than one proponent Team.

Liability for Expenses or Damages

The City will not be liable for any loss or damage suffered by any proponent including, without limitation, any expenses incurred in the preparation and submission of the proposal or from the demonstration of goods or services. There will be no honorariums provided for this submission.

Need for Due Diligence

The proponent is advised that information provided by the City does not constitute a City position nor guarantee of future demand, and the proponent should conduct their own due diligence with respect to all aspects of their proposal.

Limitation of Liability

1. The proponent shall not hold the City of Ottawa, or any of its officers, employees, assigns, independent contractors, subcontractors, agents or representatives liable for any error or omission in any part of this RFP. While the City has used considerable efforts to ensure that all information contained in this RFP is accurate, the City does not guarantee or warrant that the information contained in this RFP or any supplemental documents is accurate, comprehensive or exhaustive. Nothing contained in this RFP is intended to relieve the proponent from forming its own opinions and conclusions with respect to the matters addressed in this RFP.
2. Each proponent is solely responsible, at its own cost, for conducting its own independent research, due diligence and any other work or investigations or for seeking any other independent advice necessary for the preparation of proposals and, if selected, for entering into the partnering Agreement.
3. The City and any of its officers, employees, assigns, independent contractors, subcontractors, agents or representatives shall not be liable to the Proponent or any of its officers, employees, assigns, independent contractors, subcontractors, agents or representatives (collectively "The Proponent's Personnel") for any losses, expenses, costs, claims, damages, including incidental, indirect, special or consequential damages, or liabilities arising out of or by reason of or attributable to this RFP.
4. The Proponent shall indemnify and save harmless the City and any of its officers, employees, assigns, independent contractors, subcontractors, agents or representatives from all costs, losses, damages, including incidental, indirect, special and consequential damages, liabilities, expenses, judgements, claims, demands, suits, actions, causes of action, contracts or other proceedings of any kind or nature:

(i) based on, occasioned by, or attributable to anything done or omitted to be done by the proponent or the proponent's personnel in connection with this RFP;

(ii) asserting infringement of any patent or other intellectual property right by the Proponent in responding to this RFP.

1. If the City or any of its officers, employees, assigns, independent contractors, subcontractors, agents or representatives is made party to any litigations arising out of or by reason attributable to this RFP, then the applicable proponent shall indemnify and save harmless the City and its officers, employees, assigns, independent contractors, subcontractors, agents or representatives in connection with such litigation, except to the extent that such litigation arose from the negligence or wilful act of the City or any of its officers, employees, assigns, independent contractors, subcontractors, agents or representatives while acting within the scope of his or her or its employment engagement.

The City may, at its option, and at the expense of the proponent, participate in or assume carriage of any litigation or settlement discussions relating to the foregoing, or any other matter for which the proponent is required to indemnify the City and any of its officers, employees, assigns, independent contractors, subcontractors, agents or representatives. Alternatively, the City may require the Proponent to assume or maintain carriage of a responsibility for all or any part of such litigation or discussion, at the proponent's expense.

The provisions in (a)(b)(c)(d) and (e) shall survive the termination of the RFP process and the execution of the partnering Agreement.

**Amendments To and Cancellation of Process**

The City reserves the right to amend, extend the closing, suspend, postpone, or cancel the RFP and future stages of the partnering process at any time and for any reason, and the proponent shall have no recourse against the City.

***Appendix A***

***Eligibility Checklist and Evaluation Scoring Matrix***

Stage 1: Mandatory Requirements Checklist

|  |  |  |
| --- | --- | --- |
| **Requirement from Section 3.2 of the RFP** | **Meets Requirement** | |
| **YES** | **NO** |
| * + 1. A. Proponent is an incorporated private or non--profit organization   B. Only incorporated non--profit organizations may apply for 800 Montreal Road |  |  |
| 3.2.2 *(IF APPLICABLE)* Written confirmation of partner involvement and role |  |  |
| 3.2.3 Project meets affordability requirements and Completed Capital and Operating Budgets |  |  |
| * + 1. Proponent has had a pre-consultation with a City Planner to discuss proposal before submission |  |  |
| * + 1. Proponent has letter with respect to project financing |  |  |
| * + 1. Proponent has incorporated mandatory insurance requirements into budget |  |  |
| * + 1. Proponent is in good standing with the City with respect to existing contracts with the City of Ottawa |  |  |
| * + 1. Private sector developersbring at least 10% equity to the project |  |  |
| * + 1. Rental Unit size meets Provincial criteria |  |  |

**Stage 2: Core Evaluation Criteria:**

A score of 70% is required on each of the Core Criteria. If a proponent fails to achieve 70% on any individual element, the project will not proceed to Stage 3. A score of 70% means the proponent has met the City’s minimum expectations for the scored element.

Stage Two Core Criteria Maximum Score/Minimum Pass

1. Project Team Qualifications 25 / 17.5 minimum
2. Examples of Projects 10 / 7
3. Design Concept 25 / 17.5
4. Financial Viability and Value for Money 30 / 21
5. Property Management Plan 10 / 7

Total Possible Score 100 / 70 minimum

**Stage 3: Preference Criteria**

Proposals passing the Stage 2 evaluation will be scored on the following criteria that are priority issues for the City.

Stage Three Preference Criteria Maximum Score

1. Exceeds Affordability Requirements 10
2. Energy Efficiency 5
3. Community Consultation 5
4. Proponent Contribution 5
5. Accessible/Visitable Access 5

**Total Possible Score 30**

***Appendix B***

***Accessible Unit and Universal Design Standards***

***for Visitable Housing***

**Accessible Unit Standards**

Accessible units are designed for occupancy by disabled persons and the individual dwelling units should be designed for easy access and comfortable use by persons with a wide range of physical disabilities. Under Action Ottawa, accessible units for individuals with special needs must conform to the design criteria as described in CAN/CSA B651-04 (R2010) Accessible Design for the Built Environment.

A copy of this standard is available to the public at the Housing Services Branch and the Main Branch of the Ottawa Public Library Reference Department for short-term use.

* The Housing Services Branch is located at 100 Constellation Crescent, 8th Floor East.
* The Main Branch of the Library is located downtown at the corner of Metcalfe and Laurier.

A hard copy or searchable PDF version may be purchased from the Canadian Standards Association - *Cost: $127.00*

To Purchase:

Online go to Canadian Standards Association website:

<http://shop.csa.ca/en/canada/accessibility/cancsa-b651-04-r2010/invt/27021232004/>

OR contact Canadian Standards Association directly:

1-800-463-6727 5060 Spectrum Way, Suite 100  
[sales@csa.ca](mailto:sales@csa.ca) Mississauga, Ontario  
Tel: (416) 747-4044 L4W 5N6  
Fax: (416) 747-2510

**Universal Design Standards for Visitable Housing**

One of the objectives of the Action Ottawa program is the creation of units that are accessible for individuals with special needs. Visitable housing standards are intended to create homes that are welcoming to individuals who use wheelchairs, walkers or have some other form of mobility impairment. “Visitable” features are easy to construct on most terrain and are visually unnoticeable.

The Accessibility Committee of the City of Ottawa has identified the following five requirements:

* Level or gently sloping approaches to dwellings
* Level no-step access at entry door
* Sufficiently wide doors (32”-36”/80-90cm) and corridors (36”/90cm) to accommodate a wheel chair

For townhouse or other built forms that may be multi-level the unit must have:

* Ground floor toilet facility for wheelchair users and elderly
* A ground floor family room and/or kitchen facility.

To qualify for points in the evaluation, provisions for visitable and wheelchair access must be clearly indicated in the design concept or articulated in the preference section of the Application Form. Projects that incorporate all these requirements in some or all of the units will receive preference in the Action Ottawa evaluation process.

***Appendix C***

##### Target Rents

The objective of Action Ottawa is to provide housing that is affordable to households with low incomes. The following information is provided as a guide to what is meant by achieving deeper affordability.

###### Social Assistance Shelter Allowance

Table 1 shows the maximum shelter allowance provided to people on social assistance.

**Ontario Works Shelter Rates**

|  |  |
| --- | --- |
| **Unit Size** | **Maximum Monthly Allowance**  **$** |
| 1 | 372 |
| 2 | 584 |
| 3 | 634 |
| 4 | 688 |
| 5 | 742 |
| 6 or more | 769 |

**Ontario Disability Support Program Shelter Rates**

|  |  |
| --- | --- |
| **Unit Size** | **Maximum Monthly Allowance**  **$** |
| 1 | 474 |
| 2 | 745 |
| 3 | 807 |
| 4 | 877 |
| 5 | 946 |
| 6 or more | 980 |

# 

# Average Market Rent 2011

To give context to the numbers provided in Table 1, Table 2 shows the most recently published CMHC Average Market Rents (AMR), and 70% AMR.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Table 2**  **Average Market Rent Information**  **BASED ON FALL 2011 CMHC MARKET RENTAL REPORT** | | | |  |
| **Apartments** | **AMR** | Below Market Rent (BMR) | |  |
| **70% of AMR** | **80% of AMR** |  |
| Bachelor | $727 | $509 | $582 |  |
| One | $899 | $629 | $719 |  |
| Two | $1,086 | $760 | $869 |  |
| Three | $1,322 | $925 | $1,058 |  |
| **Townhouses** |  | | |  |
| One | $914 | $640 | $731 |  |
| Two | $1,085 | $760 | $868 |  |
| Three | $1,227 | $859 | $982 |  |
| Four | $1,342 | $939 | $1,074 |
| Five | $1,469 | $1,028 | $1,175 |
| \* Four and Five Bedroom Rents for Townhouses are estimates only, based on average increase between two and three bedroom units from previous years. | | | | | |

*Appendix D*

*Infrastructure Ontario Contact Information*

Information on the Infrastructure Ontario loan program is available at:  
<http://www.infrastructureontario.ca/en/loan/housing/index.asp>  
For more information you can call Infrastructure Ontario’s toll-free hotline at 1-800-230-0937 or your Regional Account Manager.  
  
Eastern Ontario:  
Robert Keene  
905-721-2792  
robert.keene@infrastructureontario.ca

*Appendix E*

*Calculating the City’s Return on Investment*

The City uses a customized financial spreadsheet to determine the return on our investment. The City uses standard costs to determine an “economic” rent, or the break-even rent that would be charged if no grants were provided for the project.

The difference between the break-even rent and the rents achieved by the project are then calculated. This difference provides a means by which to measure the amount of affordability the City is buying with its capital investment. This value is capitalized over the twenty year minimum affordability period, and is compared to the dollar value of the government incentives provided to the project, including capital grants, fee relief, and land. Using fewer capital grants or achieving deeper affordability will increase the City’s “return”, and thus will generate a better score.

The example below shows how the calculation of the return on two projects is completed, with each example containing 50 two-bedroom units:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **STEP 1: Calculating the difference between break-even rent and affordable rent** | | | | |
| Rent Level | **CASE 1:**  **20 Units AMR, 30 Units at 70%AMR** | **CASE 2:**  **20 Units AMR, 30 units at Shelter Allowance** | **“Return on City Investment”** Difference between rent charged and break even rent | |
| Break Even Rent | $1500 | $1500 | **“Return” unit/month** | **“Return”**  **unit/year** |
| AMR – Monthly Rent | $940 | $940 | $1500-$940 = $560 | $6,720 |
| 70% AMR | $658 |  | $1500-$658 = $842 | $10,104 |
| Shelter Allowance for 3 people |  | $571 | $1500-$571 =$929 | $11,148 |

|  |  |  |
| --- | --- | --- |
| **STEP 2: Calculating the Capitalized Value to determine the City’s Return on Investment** | | |
|  | **CASE 1:** | **CASE 2:** |
| Annual Return on AMR Units | $6720 x 20 units= $134,400 | $6720 x20 units=  $134,400 |
| Annual Return on 70% AMR Units | $10,104 x 30 units= $303,120 |  |
| Annual Return on Shelter Allowance units |  | $11,148 x 30 units= $334,440 |
| Annual Total Return: | $437,520 | $468,840 |
| **Annual Return on Investment x 20 yrs:** | **$8,750,400** | **$9,376,800** |

|  |  |  |
| --- | --- | --- |
| STEP 3: Calculating the Return on Capital Investment | | |
| **Total Capital Investment** | **$5,000,000** | **$5,000,000** |
| **Return on Investment** | **75.0%** | **87.5%** |

In the example above, Case 2 would receive higher points as lower rents provide the City with a greater return on our investment. Note that the capital investment assumes $90,000/door in a capital grant and approximately $500,000 in fee relief.

***Appendix F***

##### Agreements, Project Milestones and Payment Schedules

**Funding Agreements**

Following Provincial approvals for funding, proponents will be required to enter into a Municipal Housing Project Facilities Agreement or Contribution Agreement with the City of Ottawa. Template agreements will be available from the Affordable Housing Unit. Capital funding awarded through this Action Ottawa RFP will be secured in the form of a mortgage on title. If there is a significant breach of the terms of the agreement, all financial assistance plus interest and costs will have to be repaid to the City, Province and Federal Government.

# Project Milestones and Funding Schedule

The Municipal Housing Project Facilities Agreement and IAH Program Guidelines will establish development milestones and timeframes for disbursement of funds. The timeframes will be established in cooperation with the Proponent. If the successful proponent fails to meet the agreed upon milestones established in the development schedule, the City reserves the right to withhold further advances, and to terminate agreements with the proponent.

The following information is provided so that Proponents understand the cash-flow throughout the project. The City expects the proponent to make every effort to arrange financing that allows them to manage the project cashflow within the constraints of the disbursement schedule.

## *Appendix G*

## *Mandatory Insurance Requirements*

## Insurance During Construction of the Housing Project

The Chargor shall take out and maintain throughout the term of the Charge the following insurance, all in a form and with insurers acceptable to the Chargees:

1. Builder’s Risk Insurance (property insurance) for the full replacement value of the completed construction project, including a negotiated sub-limit for earthquake and flood.

The policy must include the following:

(i) replacement cost value;

(ii) stated amount co-insurance;

(iii) waiver of subrogation; and

(iv) loss payable in favour of Her Majesty the Queen in Right of Ontario as represented by the Minister of Municipal Affairs and Housing and the City of Ottawa.

(b) Boiler and Machinery Insurance (including pressure objects, machinery objects and service supply objects) on a comprehensive basis.

The policy must include the following:

(i) repair and/or replacement value;

(ii) stated amount co-insurance;

(iii) waiver of subrogation; and

(iv) loss payable in favour of Her Majesty the Queen in Right of Ontario as represented by the Minister of Municipal Affairs and Housing and the City of Ottawa.

(c) Wrap Up Liability Insurance for Third Party Bodily Injury, Personal Injury and Property Damage to an inclusive limit not less than five million dollars ($5,000,000.00) per occurrence and five million dollars ($5,000,000.00) products and completed operations aggregate. The insurance shall be in the joint names of Her Majesty the Queen in Right of Ontario as Represented by the Minister of Municipal Affairs and Housing, the City of Ottawa and its agents and assigns, all other contractors, sub-contractors, suppliers and/or tradesmen while working on the site, and engineers, architects, consultants or other person which the City of Ottawa may require to be added as insured parties.

The policy must include the following:

(i) premises and operations;

(ii) owner’s and contractor’s protective liability;

(iii) broad form products and completed operations liability;

(iv) cross liability;

(v) blanket written and oral contractual liability;

(vi) all risks tenant’s legal liability;

(vii) hoist liability;

(viii) fire fighting and forest fire fighting expense liability;

(ix) employer’s liability and voluntary compensation;

(x) non-owned automobile liability;

(xi) directors, officers, employees, shareholders, legislators and officials involved in the project added as insureds and/or additional insureds;

(xii) shoring, blasting, excavating, under-pinning, demolition, pile driving and caisson work, work below and above ground surface, work below and above water, tunnelling and grading and similar operations associated with construction work, as applicable;

(xiii) sudden and accidental pollution liability with a discovery provision of not less than one hundred and twenty (120) hours and a subsequent reporting provision on not less than one hundred and twenty (120) hours; and

(xiv) thirty (30) day written notice of cancellation.

(d) Professional Errors and Omissions Liability Insurance, insuring liability for errors and omissions in the performance or failure to perform the services contemplated in the Provincial contribution agreement and the Service Manager contribution agreement, in the amount of not less than two million dollars ($2,000,000.00) per claim and in the annual aggregate.

(e) Automobile Insurance as per statutory requirements in Ontario, Ontario Automobile Policy (OAP 1) Owner’s Policy Sections 3 and 4, auto liability for a limit of not less than two Million Dollars ($2,000,000.00) per occurrence, including Accident Benefits and where applicable, Section 7, Loss or Damage Coverage.

(f) Proof of WSIB Coverage - If the contractor does not provide a policy endorsement for Employer’s Liability and Voluntary Compensation, the contractor shall submit a valid Clearance Certificate of WSIB coverage to the Minister and to the City of Ottawa prior to the commencement date of the Provincial contribution agreement and the Service Manager contribution agreement. The contractor shall ensure that each subcontractor complies with the WSIB requirements set out in this paragraph.

(g) Proof of Insurance - The contractor shall provide the Minister and the City of Ottawa with a valid Certificate of Insurance and a renewal replacement as may be necessary, confirming the insurance coverage requirements and stating any pertinent exclusions as applicable, contained by the policy(ies), prior to the commencement of the Provincial contribution agreement and the Service Manager contribution agreement and reverencing the respective agreements. The contractor shall ensure that each subcontractor complies with the insurance requirements set out in the respective agreements by obtaining similar types of insurance and providing the contractor with valid Certificates of Insurance.

Insurance Required During Regular Operations

(1) After construction has been completed, the Housing Provider shall provide and maintain during the term of this Agreement the following insurance coverage:

(a) Commercial General LiabilityInsurance subject to limits of not less than $5,000,000.00 for bodily injury, death and damage to property including loss of use thereof, which shall include insurance for the following:

(i) Premises and Operations Liability;

(ii) Products and Completed Operations Liability;

(iii ) Personal Injury Liability;

(iv) Elevator Liability, if applicable;

(v) Contingent Employer’s Liability;

(vi) Owner’s and Contractor’s Protective Liability;

(vii) Contractual Liability;

(viii) Severability of Interest Clause;

(ix) Liability with respect to non-owned licensed motor vehicles; and

(x) Cross Liability,

and the Commercial General Liability insurance shall be in the name of the Housing Provider and shall name the City of Ottawa as an additional insured thereunder;

(b) Broad Form Property Insurance upon the lands, including building, building equipment and supplies utilized in the operation of the premises in an amount not less than the full replacement cost of the building and contents and including extra expense coverage. Such insurance shall be in the name of the Housing Provider and name the City of Ottawa as a loss payee as their interests may appear. Such insurance shall preclude subrogation claims by the Insurer against anyone insured thereunder;

(c) Boiler and Machinery Insurance upon the lands, including building, building equipment and supplies utilized in the operation of the premises in an amount not less than the full replacement cost of the building and contents and including extra expense coverage. Such insurance shall be in the name of the Housing Provider and name the City of Ottawa as a loss payee as their interests may appear. Such insurance shall preclude subrogation claims by the Insurer against anyone insured thereunder; and

(d) Motor Vehicle Liability Insurance in respect to owned or leased licensed Motor Vehicles subject to a limit of not less than $2,000,000.00 inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof.

(2) All policies mentioned shall contain an endorsement to provide the City with (30) days prior written notice of cancellation or of a material change that would diminish coverage.

(3) The Housing Provider shall furnish the City with copies of such policies or certificates of insurance as evidence of such insurance prior to execution of this Agreement and upon the anniversary date(s) of all applicable polices described herein.

(4) The Housing Provider may be required by the City to provide and maintain additional insurance coverage related to this Agreement’s requirements, under the following circumstances:

(a) a change in the law; or

(b) an increase in the value of the Project,

such that it would lead a prudent owner in similar circumstances to provide and maintain such additional insurance coverage.

(5) Any approval by the City of any of the Housing Provider’s insurance policies shall not relieve the Housing Provider of any responsibility hereunder.

***Appendix H: Potential Environmental and Building Improvements to meet or exceed energy use as stated in the MNEBC.***

1. Use of high output and pin-based compact fluorescents and LED technology where appropriate. All Exit signs should be LED.
2. Use of daylighting, occupancy sensors, and light controls: The occupancy sensors are installed throughout common areas. The occupancy sensors will allow the lights to automatically turn off when the spaces are unoccupied.
3. Upgraded Window and Glazing systems: Double glazed windows with low-e coating, argon filled and warm-edge spacer will reduce the amount of heat transfer.
4. Use of passive design strategies to minimize heating and cooling loads and sizing requirements of mechanical systems.
5. Special emphasis on the improvement of the building envelope in terms of insulation and infilteration to reduce heating and cooling loads.
6. Low-Flow Fixtures: All trim to use single lever operators. Faucets have a reduced flow of 1.9 L/min and showers have a flow of 6.8 L/min, with unit water metering.
7. The use of ground source heat pumps is encouraged.
8. Ventilation systems that utilize renewable sources and heat recovery systems.
9. The use of high efficiency heating, cooling, and ventilation equipment.
10. The use of third party commissioning plans as part of the design, along with details as to how to verify functional performance of all equipment, detailed plans for the training of operators and an outline of Operation and Maintenance manuals.
11. Advanced Controls and Monitoring System: DDC building automation system should be provided where warranted to control mechanical system operation and manage energy usage.

***Appendix I: 800 Montreal Road***

**PIN:** **All of PIN 04269-0137**

**Legal Description: Part of Lot 24, Concession 1 (Ottawa Front), Gloucester, being Part 3 on Plan 4R-25131, City of Ottawa**

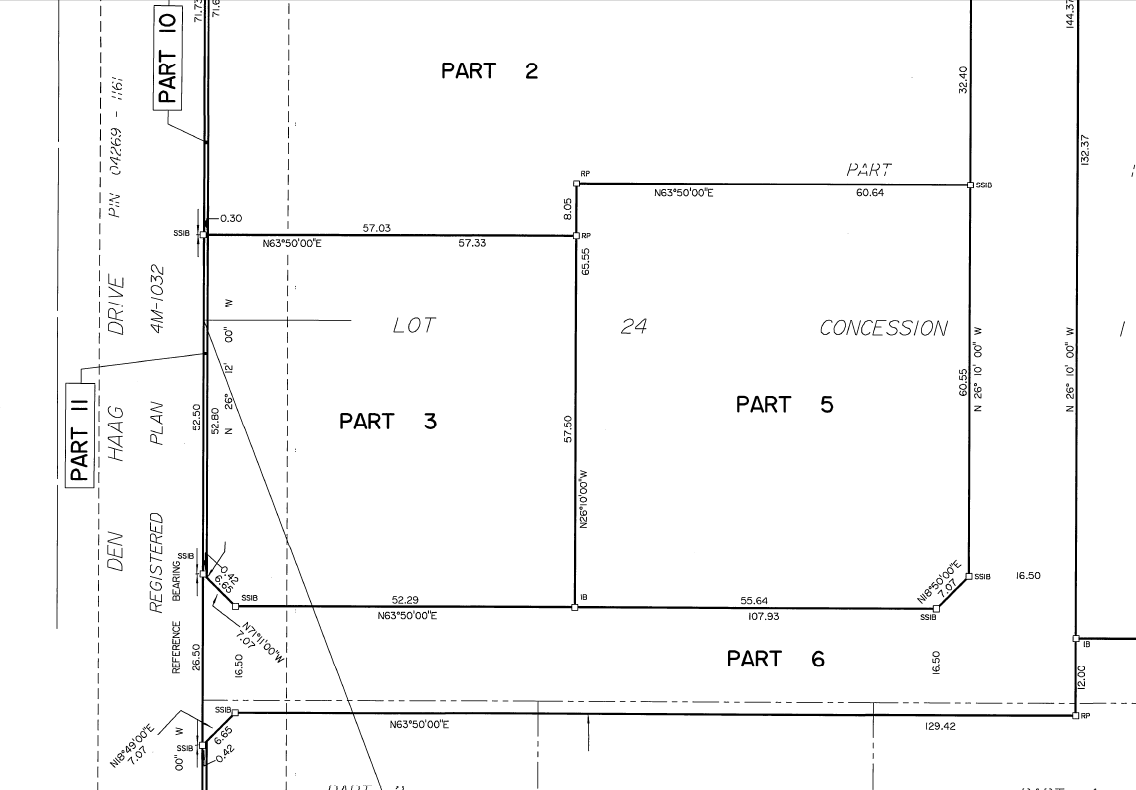
# Site Size: approximately 3,180 square metres

**Den Haag Frontage: 52.50 metres**

**Approximate Depth (immediately north of Part 6): 52.29 metres**

**Approximate Depth (immediately south of Part 2): 57.03 metres**

**Access:** **Internal road identified as Part 6 on the survey plan**



**Zoning Provisions:**

The site is zoned AM5[1779], Arterial Mainstreet with an exception.

|  |  |  |
| --- | --- | --- |
| The purpose of the AM – Arterial Mainstreet Zone is to: | | |
|  | (1) | accommodate a broad range of uses including retail, service commercial, offices, residential and institutional uses in mixed-use buildings or side by side in separate buildings in areas designated **Arterial Mainstreet** in the Official Plan; and |
|  | (2) | impose development standards that will promote intensification while ensuring that they are compatible with the surrounding uses. |
| Exception 1179, prohibits specific commercial and residential uses. In addition, the exception stipulates specific performance standard provisions. | | |

The site is designated General Urban in the City of Ottawa Official Plan.

**Real Estate Appraisal:**

A current appraisal of the property is not available from the City at this time. A recent appraisal estimated the property value at approximately $1.7M. This is provided for information only. The proponent should undertake to obtain a current valuation of the property as part of the due diligence process should the proposal be successful.

**Land Survey:**

An electronic copy of the survey of the property is available through the Housing Services Branch.

**The following reports and studies have been completed on the site and are available by emailed request to Saide Sayah in the Housing Services Branch at** [**Saide.Sayah@ottawa.ca**](mailto:Saide.Sayah@ottawa.ca) **or Julia Langhorn at** [**Julia.Langhorn@ottawa.ca**](mailto:Julia.Langhorn@ottawa.ca)**.**

* + 1. Site Servicing and Stormwater Site Management Design Report, 800 Montreal Road, City of Ottawa (February 7th 2011) prepared by IBI Group
    2. Phase I/II Environmental Site Assessment Forintek Property (January 2009) prepared by *DST Consulting Engineers Inc.*
    3. Design Guidelines and Development Regulation, 800 Montreal Road (January 2010) prepared by *HOK Planning Group*.
    4. Electronic copy of Plan 4R-25131
    5. Covenant Agreement between Her Majesty the Queen in Right of Canada as represented by the Minister of Public Works and Government Services Canada and City of Ottawa
    6. SFRPHI Contribution Agreement between “Canada” and the City of Ottawa