

Expression of Interest

Regional Housing First Program (RHFP)

EOI Call – Year Two

Expression of Interest No.: 1070-1718/81

Issued: 26 January 2018

Submission Date: 16 March 2018 @ 2:00 pm Pacific time

EXPRESSION OF INTEREST

1. Introduction

Through the Regional Housing First Program (“RHFP”), this Expression of Interest (“EOI”) is issued by the Capital Regional District (“CRD”), Vancouver Island Health Authority (“Island Health”) and BC Housing Management Commission (“BC Housing”) to non-profit housing societies, the private sector and other community groups interested in creating new affordable rental housing units for low to moderate households, and housing units to address the needs of people experiencing homelessness within the Capital Region. Priority will be given to projects that include a portion of units that rent at provincial Income Assistance Rates and are still viable without additional financial assistance from the CRD or BC Housing. Respondents to this EOI and their employees are expected to have the necessary experience, resources and capacity to undertake such a project. Non-profit housing societies may partner with other organizations to strengthen their proposed project.

2. CRD, BC Housing, the Provincial Investment in Affordable Housing and RHFP Background

The CRD was created in 1966 as part of the BC Provincial Government’s initiative to address service requirements that transcend municipal boundaries and where municipal collaboration is required to achieve economies of scale. In 1974 the CRD established a Land Banking and Housing Service to acquire land to support the development and operation of public housing units. In 1982 it created the Capital Region Housing Corporation which now operates 1,286 housing units of which 70% are subsidized and 30% are non-subsidized. The CRHD was established by the provincial government (Hospital District Act) to provide the local share of capital funding for healthcare infrastructure in the capital region and plays a role in housing people within designated health facilities.

BC Housing was established as an agency of the Province of British Columbia in 1967 to manage provincial and federal-provincial housing and property. In all its programs and activities, it is accountable to the provincial ministry responsible for housing.

The Provincial Rental Housing Corporation (“PRHC”) is the land holding entity for provincially owned social housing. BC Housing administers PRHC, which buys, holds and disposes of properties and leases residential properties to non-profit societies and co-operatives.

In the fall of 2015 the CRHD/CRD Boards requested that CRD staff explore the potential to borrow up to \$30 million to create housing units to address the needs of people experiencing chronic homelessness in the region and in December 2015 directed staff to develop the Regional Housing First Program on the condition of acquiring matching funding from BC Housing.

On February 12, 2016 the BC Government announced that British Columbia had committed \$355 million toward creating as many as 2,000 affordable housing units across the province through the Provincial Investment in Affordable Housing (PIAH) program. In May 2016, BC Housing committed, through a Partnering Agreement with the CRD and Island Health, to matching the CRD’s commitment by contributing \$30 million of the PIAH funding for creating new affordable rental housing units for low to moderate income households.

In September 2016, the CRD Board approved the RHFP Implementation Plan which supported this EOI process.

3. Funding Details

The RHFP funding will be provided by the CRD and BC Housing (through the PRHC) in exchange for

equity ownership, but this funding is limited to only the newly created affordable rental units. A portion of the rental housing units for low to moderate households units will be available and affordable to people experiencing homelessness in the region. While there is no limit on the amount of equity funding requested, respondents are encouraged to maximize their contributions that would allow for leveraging alongside the Province's capacity to provide interim construction financing at reduced rates. Once developed, the respondent will be wholly responsible for:

- Ongoing Programs and services offered (if any)
- Collection of rents
- Tenant relations, tenant income verification and selection of new tenants
- Building maintenance and upkeep – internal and external

For more information on project funding, proponent eligibility and definitions on "Affordable Rental Housing", "Income Assistance Rate Units" and "Low to Moderate Income" households and target affordability measures please refer to the Regional Housing First Program Framework.

A portion of the targeted client group identified in the Respondent's submission may be persons who have been identified as requiring housing through a BC Housing and CRD approved housing application system that assesses the needs of people experiencing homelessness in the region. This portion of the targeted client group may or may not require health or social supports in order to access housing units, but Respondents are encouraged to demonstrate the interest and capacity to accommodate some individuals who require supports within approved units of housing.

A Year-Two Community Plan provides guidance with respect to program targets and has identified the following population groups as priority for funding in this stream:

- Indigenous people experiencing homelessness;
- Youth aged 16-25 experiencing homelessness; and
- Women fleeing violence.

Projects focused on other population groups will be considered. All projects will be scored according to criteria outlined in section 6.2 of this document.

Please note the following initiative funding restrictions:

- Residential Care facilities are not eligible
- Funding will only be in the form of PRHC and/or CRD Equity Ownership (purchase of a number of affordable rental units within the proposed development)
- Developments must be sustainable without ongoing government subsidies, which includes the ability to maintain the proposed rents over time without any operating subsidies or require government grants for capital repairs/replacements
- On-Reserve housing will not be considered
- Eligible tenants may apply to receive SAFER or RAP where applicable
- Funding can be layered but not across multiple BC Housing initiatives

4. Minimum Requirements

Proposals must be for projects that have the following features:

- i. Create new affordable units
- ii. Units must remain affordable for at least 35 years
- iii. Units must be viable without ongoing government subsidy
- iv. Projects must achieve a minimum 10% decrease in energy intensity and greenhouse gas (GHG) emissions relative to other projects constructed to building code requirements of their respective jurisdictions
- v. A minimum of 10% of the units must meet accessibility requirements. Accessible features may include: ramps, lifts, modified kitchens, bathrooms and home automation
- vi. Projects in communities with transit should be located within 1km of a transit stop.

In addition, BC Housing and the CRD is particularly interested in submissions from Respondents that:

- i. Are registered in good standing under the *Society Act*
- ii. Have a stated purpose of providing Affordable Housing
- iii. If respondents have previously worked with the CRD or, BC Housing, respondents must be considered in “Good Standing” with the CRD and BC Housing to be further considered. Good Standing is defined as having engaged in positive historical financial and operating reviews with the CRD and/or BC Housing. This would include maintenance practices, review observations, accounts receivable, financial risk assessment as well as reporting practices as covered during these reviews.
- iv. Respondents who have no previous relationship with the CRD or BC Housing are still encouraged to submit their proposals.

5. Information Requested. Respondents are asked to respond to BC Housing and the CRD providing all the information requested in Appendices A & B of this EOI. The information gathered during this EOI process will be used to determine the feasibility of a Respondent’s Affordable Rental Housing project to be eligible for equity ownership funding.

Information Meeting:

A WebEx-based interactive information meeting will be held to explain the program and the EOI process. Attendees will have the opportunity to ask questions and have them answered by emailing rhfp@bchousing.org.

Date: 14 February 2018

Time: 1:00 PM to 3:00 PM Pacific Time

Information Meeting will be posted closer to the date of the meeting and will be available via MERX addendum and on the BC Housing and CRD websites

Further Questions and Addendum:

Following the Information Meeting respondents will have the opportunity to submit further questions via email to: mlachocki@bchousing.org

An addendum of all questions, along with answers, will be posted via MERX and on the BC Housing and CRD websites.

Questions Deadline: 16 February 2018

Addendum Issue Date: 22 February 2018

6. Submission review process

Submissions must comply with the RHFP minimum requirements, as provided in the Regional Housing First Program Framework, to be scored. A submission that does not comply the RHFP minimum requirements will not be scored.

6.1 All submissions to this EOI will be reviewed against the minimum requirements stated above and the information requested in Appendices A & B. Respondents satisfying these requirements will proceed to the final selection process.

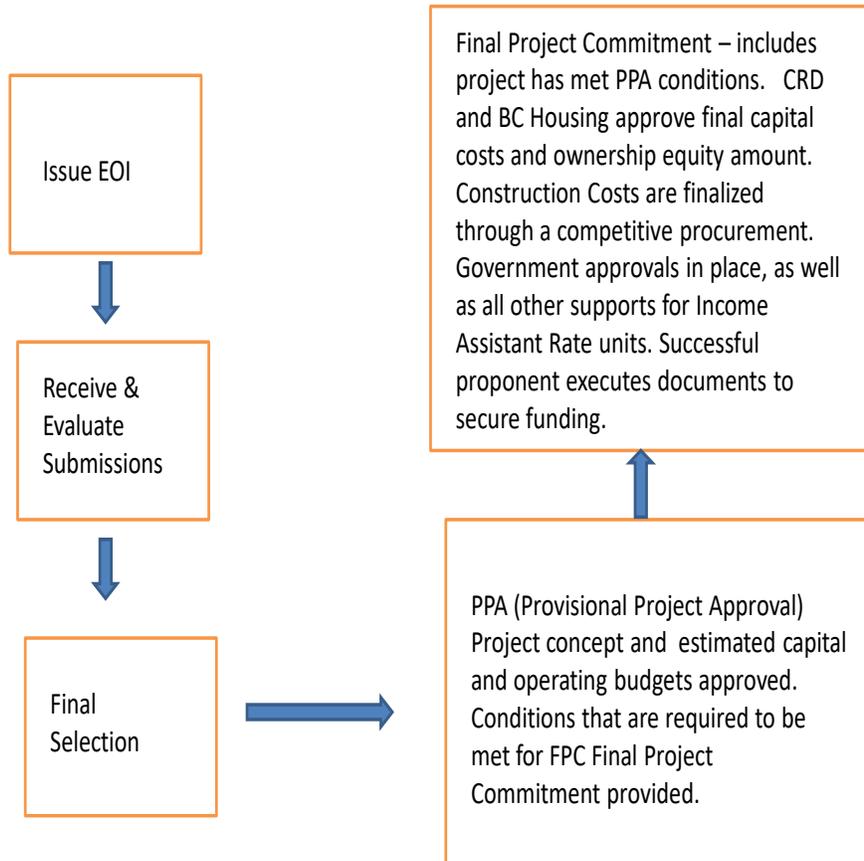
6.2. Submissions will be reviewed through the following evaluation process:

Step 1: Evaluated by a review committee made up of representatives of the CRD, BC Housing, Island Health and CMHC. This committee review will be based on the submission's submitted information regarding all topics identified in Appendix B.

Each submission will be scored out of a possible 100 points. The highest-ranking proposals identified for approval by the CRD, BC Housing and CMHC will then move on to the second step of the evaluation process.

Step 2: Projects will be identified for the CRD Board and/or BC Housing's Development & Asset Strategies Executive Team and CMHC to make the final selection based upon the overarching desired outcome to facilitate the creation of new affordable rental housing units, including housing for individuals who were experiencing homelessness and the degree of impact these units will have within the region. Priority will be given to projects that include a portion of units that rent at provincial Income Assistance Rates and are still viable without additional government financial assistance.

Selected submissions will then proceed to the Provisional Project Approval Stage, where their proposal will be comprehensively reviewed by CRD, BC Housing and CMHC staff.



Provisional Project Approval (Conditional Approval) – CRD staff and/or a BC Housing Senior Project Officer will work with the proponent to assess and refine aspects of their proposal, including finalizing the CRD and/or PRHC/BCH Equity Ownership amount and any construction and take-out financing requests. Please note that because of this assessment the proposal may require adjustments which will need to be addressed.

Final Project Commitment (Final Approval) – On receiving Preliminary Project Approval, the capital costs and amount of the Equity Ownership will be reviewed and approved by the CRD Board and/or BC Housing and/or CMHC. All local government approvals will need to be in place, as well as any other support funding needed for the Income Assistance Rate Units. The proponent organization would need to execute the appropriate documents to secure funding.

7. Submission Instructions. Respondents are asked to submit their information via email to:

mlachocki@bchousing.org

16 March 2018 on or before 2:00p.m Pacific Time.

Respondents should direct any questions regarding the Regional Housing First Program by e-mail to:

rhfp@bchousing.org

Respondents should direct any questions regarding the procurement process by e-mail to:

Michael Lachocki
E-mail: mlachocki@bchousing.org

8.1 Submission Requirements

- a. Submissions should include a completed and signed Respondent Submission Form (Appendix A) acknowledging that, among other things, this EOI and any respondent submissions shall not create a legal relationship or obligation regarding the procurement of any good or service.
- b. Submissions should also include information as requested on Appendix B – Respondent Information. The information provided will be used to review submissions and determine which are suitable to proceed to the final selection phase.

Summary of Appendices

Appendix A: Respondent Submission Form
Appendix B: Respondent Information
Appendix C: Regional Housing First Program Framework – separate attachment
Appendix D: Frequently Asked Questions (FAQ) – separate attachment

APPENDIX A – RESPONDENT SUBMISSION FORM

1. Project Proponent's Information

- (a) Project proponent's registered legal business name and any other name under which it carries on business:
-
- (b) Project proponent's address, telephone and facsimile numbers:
-
- (c) Name, address, telephone and facsimile numbers and e-mail address of the contact person(s) for the organization:
-
- (d) Name of the person who is primarily responsible for the submission:
-
- (e) Whether the Project proponent is an individual, a municipality, a sole proprietorship, a corporation, a partnership, a joint venture, an incorporated consortium or a consortium that is a partnership or other legally recognized entity:
-
- (f) Project proponent's certificate of Incorporation, constitution and by-laws or application for incorporation:
-

2. Terms of Reference

In responding to this EOI, each Project proponent should submit a completed and signed Respondent Submission Form that, among other things, acknowledges its acceptance of the EOI Terms of Reference as contained hereunder:

Expression of Interest Not a Formal Competitive Bidding Process

This EOI is issued for information-gathering purposes and is not intended to be a formal legally binding "Contract A" bidding process. Without limiting the generality of the foregoing, this EOI may result in subsequent negotiations, direct contract award, invitational tendering process or open tendering process. Any pricing figures submitted by respondents shall be for general information purposes and will not be binding on respondents.

No legal relationship or obligation regarding the procurement of any good or service shall be created between the respondent and the CRD or BC Housing or CMHC by the EOI process until the successful negotiation and execution of an Agreement pursuant to a subsequent invitational second-stage procurement process.

EOI Shall Not Limit CRD or BC Housing's Pre-existing Rights

This EOI shall not limit any of the CRD's, BC Housing's or CMHC's pre-existing rights. Without limiting the generality of the foregoing, the CRD, BC Housing and CMHC expressly reserves the right, at their discretion

- (a) to seek subsequent information or initiate discussions with any firm, including respondents that did not respond to this EOI;
- (b) to initiate direct negotiations for the procurement of any good or service with any respondent or respondents, regardless of whether the firm or respondents responded to this EOI;
- (c) to contact a limited number of respondents, which may be limited to those that responded to this EOI, or may include respondents that did not respond to this EOI, for the purpose of a competitive procurement for the procurement of any good or service;
- (d) to elect to proceed by way of open tender call where all potential respondents, including those that did not respond to this EOI, are eligible to compete for the award of a contract for the supply of any good or service; and
- (e) to elect not to procure the good or service that is the subject of this EOI.

These expressly reserved rights are in addition to all other rights of the CRD, BC Housing and CMHC that existed prior to the issuance of this EOI.

Pricing Information for General Information Purposes Only

Any pricing information provided by respondents is for general information purposes and is not intended to be binding on respondents. Any legally binding pricing or purchasing commitments will be established only where specified by the express terms of a subsequent tender call process or where established through the execution of a written agreement.

Information in EOI Only an Estimate

The CRD, BC Housing and CMHC and their advisers make no representation, warranty or guarantee as to the accuracy of the information contained in the EOI or issued by way of addenda. Any quantities shown or data contained in this EOI, or provided by way of addenda, are estimates provided only as general background information.

Parties Shall Bear Their Own Costs

The CRD, BC Housing and CMHC shall not be liable for any expenses incurred, including the expenses associated with the cost of preparing responses to this EOI. The parties shall bear their own costs associated with or incurred through this EOI process, including any costs arising out of, or incurred in, (a) the preparation and issuance of this EOI; (b) the preparation and making of a submission; or (c) any other activities related to this EOI process.

Accuracy of Responses

The respondent acknowledges that the information provided is, to the best of its knowledge, complete and accurate.

Submissions Are the Property of the CRD, BC Housing and CMHC

Except where expressly set out to the contrary in this EOI or in the respondent's submission, the submission and any accompanying documentation provided by a respondent shall not be returned.



Confidential Information of the CRD and BC Housing

All information provided by or obtained from the CRD, BC Housing and CMHC in any form in connection with this EOI either before or after the issuance of this EOI (a) is the sole property of the CRD, BC Housing and CMHC and must be treated as confidential; (b) is not to be used for any purpose other than replying to this EOI; (c) must not be disclosed without prior written authorization from the CRD, BC Housing and CMHC; and (d) shall be returned by the respondents to the CRD, BC Housing and CMHC immediately upon the request of either the CRD, BC Housing or CMHC.

A respondent may not at any time directly or indirectly communicate with the media in relation to this EOI without first obtaining the written permission of the CRD, BC Housing and CMHC.

Respondent Confidential or Proprietary Information

The respondent consents to the CRD’s, BC Housing’s and CMHC’s collection of information as contemplated under the EOI for the uses contemplated under the EOI.

A respondent should identify any information in its submission or any accompanying documentation supplied in confidence for which confidentiality is to be maintained by the CRD, BC Housing and CMHC. The confidentiality of such information will be maintained by the CRD, BC Housing and CMHC, except where an order by a court or tribunal requires the CRD, BC Housing or CMHC to do otherwise. The respondent consents to the disclosure, on a confidential basis, of this submission by the CRD and/or BC Housing and/or CMHC to advisers retained by the CRD, BC Housing and CMHC for the purpose of evaluating or participating in the evaluation of this submission.

The respondent acknowledges that the CRD, BC Housing and CMHC may make public the names of any respondents.

Governing Law

This EOI process shall be governed by and construed in accordance with the laws of the province or territory within which the CRD, BC Housing and CMHC are located and the federal laws of Canada applicable therein.

The respondent hereby agrees to the terms set out in the Terms of Reference and in the EOI.

Signature of Witness:

Signature of project proponent’s representative:

Name of Witness:

Name and Title:

Date of Signature:

I have authority to bind the project proponent.

END OF APPENDIX A

APPENDIX B – RESPONDENT PROJECT INFORMATION

The information submitted in response to the categories below will be used in assessing the feasibility of the respondent's proposed project. Information should be at a high level but with sufficient detail to explain your proposed project. Please limit submissions up to 10 pages and organize by headings below.

a) Clients and Concept:

- Targeted client group(s) and why these groups have been selected for this project
- Evidence of community need to house these individuals
- Physical site location (exact address) including legal description, current registered owner, copy of the Title Search Print, copy of Contract of Purchase and Sale (if the proponent is not the current owner) and why you feel this location best meets the needs of the targeted individuals (i.e. proximity to transit and services, etc.).
- Your organization's experience in housing or serving these individuals and your capacity to take on these additional units in addition to units already operated
- Any partnerships your organization may enter into with the development or operation of this project and why these organizations were selected
- Provide board structure & governance

b) Project Development and Operations:

- Building size and design (number of storeys, total square footage), total number of units, and number of affordable rental units
- Whether any of the following is required:
 - Subdivision
 - Demolition
 - Remediation of contamination
 - Rezoning
 - Site servicing
- Type(s) and numbers of affordable rental units; number of bedrooms, square footage of each unit type, anticipated monthly rents per type
- Any other building spaces such as common rooms, amenities, commercial spaces, etc.
- Estimated total capital cost per affordable rental unit
- Operational Management Plan for the project - what services will be provided, estimated operating costs and how your organization will fund the operations to ensure they are self-sustaining
- High level schedule showing construction commencement, completion and any municipal approvals if relevant.

c) Equity Requested, Contributions & Support:

- Total equity funding amount requested, number of affordable rental units this would include and what estimated percentage of the project's total units
- Proposed ownership structure
- Contributions your organization can provide or secure to contribute towards this project (examples: land, cash, assets, other funding or letters of intent from municipal governments, etc.). Include the amount of financing the project can support
- Levels of support towards this project, from local/regional governments, community residents, other partnering organizations, outside agency supports, etc.

d) Alignment, Opportunities and Impact:

- Benefits of how adding these units would strengthen your organization's portfolio and your ability to better serve your clients within your community
- Specific impact(s) these new units would bring to your community in reducing the need for affordable rental housing
- Personal impact and benefits these new units would provide to the targeted individuals

END OF APPENDIX B