

**REQUEST FOR PROPOSALS  
RFP# 1070-1819/80**

**Regional Housing First Program (RHFP)**

**Issued: 09 August 2018**

**Rolling Submission Dates:**

**Fall - August 30 @ 2:00 pm PST**

**Winter - January 31 @ 2:00 pm PST**

**Spring - April 30 @ 2:00 pm PST**

**Summer - July 30 @ 2:00 pm PST**

## 1. INTRODUCTION

### 1.1. Invitation to Proponents

Through the Regional Housing First Program (“RHFP”), this Request For Proposal (“RFP”) is issued by the Capital Regional District (“CRD”), Canada Mortgage and Housing Corporation (CMHC) 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 RFP 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.

This RFP is a rolling call, remaining open until program funds have been consumed. Proponents are free to submit their proposals at any time. Proposals will be reviewed as they are received.

For the purposes of this procurement process, the BC Housing contact shall be:

- **Michael Lachocki, Procurement Manager**
- **[purchasing@bchousing.org](mailto:purchasing@bchousing.org)**

All queries and information requests are to be made in writing only to the contact at the above email address. No enquires are to be directed to any of the Society landowners.

No responses to any other form of request will be responded to unless it has been submitted in writing to the above Contact person at the above email address no later than the date and time for the deadline for questions specified in Section 3.

### 1.2. CRD, BC Housing, CMHC and RFHP 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.



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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 that supports this RFP process.

As part of this partnership, the federal government, through CMHC, is investing \$30 million through the National Housing Strategy (NHS). One of the NHS' objectives is a 50% reduction of chronic homelessness, by empowering local communities to deliver a combination of housing programs, and responsive and preventative measures such as the RHFP in the capital region.

### **1.3. Type of Contract for Deliverables**

For PRHC or CRD owned units, the housing provider will enter in to an operator agreement with the owner to operate the units. Non-profit owned units financed through BC Housing will require a PIAH Operating Agreement with BC Housing.

### **1.4. No Guarantee of Volume of Work or Exclusivity of Contract**

Multiple projects are expected to be awarded as a result of this Request for Proposals. BC Housing will not guarantee the value or volume of work that may be assigned to the selected Proponent. The Agreement/Contract that may be negotiated with the selected Proponent may not be an exclusive contract for the provision of the described Deliverables.

### **1.5. Canadian Free Trade Agreement**

Respondents should note that procurements falling within the scope of Chapter 5 of the Canadian Free Trade Agreement are subject to that chapter but that the rights and obligations of the parties shall be governed by the specific terms of each tender call. For further reference, please see the website at <https://www.cfta-alec.ca/canadian-free-trade-agreement/>

### **1.6. Sustainable Procurement**

BC Housing, CRD and CMHCare committed to sustainable procurement whereby environmental considerations are incorporated into our policies and procedures and impact the products and services we procure. Areas considered include, but are not limited to, the following:

- Conservation or reduction of natural resources.
- Reducing primary and secondary sources of pollution.
- Reducing the use of water and energy sources.



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- Eliminating or reducing environmental health hazards.
- Supporting comprehensive recycling programs.
- Reducing the volume of materials sent to landfills.
- Increasing the use of environmentally preferable products.

## **1.7. Items Required Upon Notification of Award**

### **1.7.1 Insurance**

The proponent must, without limiting its obligation or liabilities and at its own expense, purchase and maintain throughout the term of this agreement the following insurances with insurers licensed in Canada in forms and amounts acceptable to BC Housing:

- Commercial General liability in an amount not less than \$2,000,000.00 inclusive per occurrence against bodily injury, personal injury and property damage and including liability assumed under this Agreement and this insurance must:
  - Be endorsed to provide the Owner with 30 days advance written notice of cancellation or material change; and
  - Include a cross liability clause; and
  - Be on BC Housing’s Certificate of Insurance Document

### **1.7.2. Professional Liability (Consultant Errors & Omissions) Insurance**

- a) The successful Proponent(s) must, without limiting its obligation or liabilities and at its own expense, purchase and maintain (with insurers licensed in Canada) throughout the term of this agreement Professional (Errors and Omissions) Liability Insurance protecting the Supplier, and if applicable their insurable Sub-Contractors and their respective servants, agents or employees, against any loss or damage arising out of the professional services rendered by any of them under this Agreement.
- b) Such insurance shall be for an adequate amount acceptable to BC Housing and shall in any event be not less than \$500,000.

### **1.7.3 WorkSafe BC Coverage and Requirements**

Work Safe BC Registration - Upon notification of award, the selected Proponent will be required to produce evidence satisfactory to BC Housing that it is registered and in good standing with the Work Safe BC.

Please refer to the following website for further information.

[http://www.worksafebc.com/insurance/managing\\_your\\_account/clearance\\_letters](http://www.worksafebc.com/insurance/managing_your_account/clearance_letters)

## 2. REQUIREMENTS AND DELIVERABLES

### 2.1. Funding Details

The RHFP funding will be provided by the CRD, CMHC 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 income households will be available and affordable to people experiencing homelessness in the region. While there is no limit on the amount of equity funding requested, proponents are encouraged to maximize their contributions that would allow for leveraging in addition to the Province's capacity to provide interim construction financing at reduced rates.

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 RHFP Framework (Appendix E).

A portion of the targeted client group identified in the proponent'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 to access housing units, but proponents are encouraged to demonstrate the interest and capacity to accommodate some individuals who require supports within approved units of housing.

A recent 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 reviewed according to criteria outlined in section 3.2 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



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- Eligible tenants may apply to receive SAFER or RAP where applicable (Please BC Housing website for details)
- Funding can be layered but not across multiple BC Housing initiatives

## 2.2. Project 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 (please see BC Housing website: Design Guidelines)
- vi. Should be located within 1km of a transit stop for communities that offer transit.

In addition, BC Housing and the CRD are particularly interested in submissions from proponents that:

- i. Are registered in good standing under the *Society Act*
- ii. Have a stated purpose of providing Affordable Housing
- iii. Have previously worked with the CRD or BC Housing and are considered in "Good Standing". 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.

Proponents who have no previous relationship with the CRD or BC Housing are still encouraged to submit their proposals.

## 3. PROPOSAL REQUIREMENTS, SUBMISSION FORMAT AND EVALUATION OF PROPOSALS

### 3.1 Timetable and Submission Instructions

Proponents should submit their bids according to the following timetable and instructions.

#### 3.1.1. **Timetable**

Issue Date of RFP: 01 August 2018

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Submission Deadlines:

Fall - August 30 @ 2:00 pm PST

Winter – January 31 @ 2:00 pm PST

Spring – April 30, @ 2:00 pm PST

Summer – July 30 @ 2:00 pm PST

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The RFP timetable is tentative only and may be changed by BC Housing. Submissions may be submitted anytime up to the deadline dates above. Once received proposal evaluation will occur in a timely manner.

#### 3.1.2. **Proposals Must be Submitted in the Prescribed Manner**

The submission procedures listed in this document shall be followed by all Proponents. Proponents are cautioned to read the entire RFP and follow the procedures required by this RFP carefully, as any deviation from these requirements may be cause for rejection.

Proposals must be emailed to: [purchasing@bchousing.org](mailto:purchasing@bchousing.org)

All questions must be emailed to: [mlachocki@bchousing.org](mailto:mlachocki@bchousing.org)

Proposals are to be submitted in the format provided. Proposals must be in English. Pricing must be quoted in Canadian dollars and exclusive of taxes.

All responses should be properly signed and dated where requested. Where a Proponent is a corporation, have the responses signed with the legal name of the corporation followed by the legal signature and capacity of an Authorized Representative to bind the corporation into a Contract.

Where a Proponent is a partnership, have the response form signed by the general partner or the partner with the authority to bind the partners. Where the Proponent is a sole proprietor, have the response signed by the Proprietor.

**No oral (by telephone or otherwise) or written response(s) (by facsimile, courier or mailed) shall be accepted.** Responses that are illegible, conditional, obscure, contain arithmetical errors, erasure, alterations, or irregularities of any kind may be declared informal and rejected.



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### **3.1.3. Proposals Must be Submitted on Time**

Proposals must be submitted on or before the Submission Deadline. Onus and responsibility rests solely with the proponent to submit its proposal on time as indicated in the RFP. Proponents are advised to make submissions well before the deadline. Proponents making submissions near the deadline do so at their own risk.

### **3.1.4. Amendment of Proposals**

Proponents may amend their submissions prior to the Submission Deadline by the same method as prescribed for the submission of proposals.

### **3.1.5. Withdrawal of Proposals**

Proponents may withdraw their proposals prior to the Submission Deadline by the same method as prescribed for submission of proposals.

## **3.2 Proposal Evaluation**

CRD, BC Housing and CMHC will conduct the evaluation of proposals according to these steps:

- 3.2.1. Step 1: The proposals will be evaluated by a review committee made up of representatives of the CRD, BC Housing, and CMHC. This committee review will be based on the information submitted in either Appendix C or D by the proponent.

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

- 3.2.2. Step 2: Projects will be identified for the CRD Board and/or BC Housing's Development & Asset Strategies Executive Committee and CMHC to make the final selection based upon the RHFP's objectives. 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.

3.2.3. 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. CRD staff and/or a BC Housing Development Manager will work with the proponent to assess and refine aspects of their proposal, including finalizing the CRD and/or PRHC/BC Housing Equity Ownership amount and any construction and take-out financing requests. Please note that during this assessment the proposal may require adjustments to receive approval to proceed.

3.2.4. On receiving Provisional Project Approval, the capital costs and Equity Ownership amounts 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.

## **3.3 Stage I - Minimum Requirements**

### **3.3.1. Minimum Requirements**

Proponents must complete the following forms, in the format provided, to meet the minimum requirements. Proponents submitting proposals that do not meet the minimum requirements may be



provided an opportunity prior to the Rectification Date to rectify any deficiencies. Submissions should include:

- A completed and signed Respondent Submission Form (Appendix B) acknowledging that, among other things, this RFP and the proponent's submissions shall not create a legal relationship or obligation regarding the procurement of any good or service.
- Rated Evaluation Criteria (Appendix C or D, depending on whether the project is for development and operations or for development only).

### **3.3.4 Responses to Evaluation Criteria**

Each submission will be evaluated based on the responses provided for the rated evaluation criteria in Appendix C (for Development and Operations) or Appendix D (Development Only). Each submission should clearly identify your understanding of the RFP and deliverables in a clear and concise response. .

## **3.4 Stage I – Suggested Proposal Format**

### **3.4.1. Additional Submission Proposal Format**

To receive uniformly formatted submissions, this section identifies the preferred structure and contents of the responses to this Request for Proposal. Each proposal should be presented in the following format and order:

- 1 Cover Page
- 2 Table of Contents
- 3 Appendix B – Submission Form
- 4 Appendix C or D – Rated Evaluation Criteria

### **3.4.2. Rectification Date**

Proposals satisfying the minimum requirements before the Rectification Date may proceed to Stage II.

Proposals failing to satisfy the minimum requirements after the Rectification Date may be provided an opportunity to rectify any minor deficiencies during the Rectification period. Refer to Stage I for further details.

Any proposals failing to satisfy the minimum requirements after the Rectification period will be excluded from further consideration.

## **3.5 Stage II – Evaluation of Rated Criteria**

Each qualified proposal will be scored out of a possible 100 points, and will be evaluated based on the rated criteria as provided in Appendices C & D:

- Appendix C: Development & Operations Projects
- Appendix D – Development Projects Only

# **4. TERMS AND CONDITIONS OF THE RFP PROCESS**

## **4.1. General Information and Instructions**

### **Proponents to Follow Instructions**

Proponents should structure their proposals in accordance with the instructions in the RFP. Where information is requested in the RFP, any response made in a proposal should reference the applicable section numbers of the RFP where that request was made.

### **Proposals in English**

All proposals are to be in English only.

### **BC Housing's Information in RFP Only an Estimate**

BC Housing and its advisers make no representation, warranty or guarantee as to the accuracy of the information contained in the RFP or issued by way of addenda. Any quantities shown, or data contained in the RFP or provided by way of addenda are estimates only and are for the sole purpose of indicating to Proponents the general size of the work. It is the Proponent's responsibility to avail itself of all the necessary information to prepare a proposal in response to the RFP.

### **Proponents Shall Bear Their Own Costs**

The Proponent shall bear all costs associated with or incurred in the preparation and presentation of its proposal, including, if applicable, costs incurred for interviews or demonstrations.

## **4.2. Communication after Issuance of RFP**

### **Proponents to Review RFP**

Proponents shall promptly examine all the documents comprising the RFP, and

- a. shall report any errors, omissions or ambiguities; and
- b. may direct questions or seek additional information in writing by email on or before the Deadline for Questions to the BC Housing Contact. All questions shall be deemed to be received once the email has entered the BC Housing Contact's email inbox. No such communications are to be directed to anyone other than the BC Housing Contact. BC Housing is under no obligation to provide additional information.

It is the responsibility of the Proponent to seek clarification from the BC Housing Contact on any matter it considers to be unclear. BC Housing shall not be responsible for any misunderstanding on the part of the Proponent concerning the RFP or its process.

### **All Additional Information to Proponents by Way of Addenda**

The RFP may be amended only by an addendum in accordance with this section. If BC Housing, for any reason, determines that it is necessary to provide additional information relating to the RFP, such information will be communicated by posted addenda. Each addendum forms an integral part of the RFP.

Such addenda may contain valuable information, including significant changes to the RFP. Proponents are responsible for obtaining all addenda issued by BC Housing. In the Submission Form (Appendix B), Proponents must confirm their receipt of all addenda by setting out the number of each addendum in the space provided.

### **Post-Deadline Addenda and Extension of Submission Date**

If any addendum is issued after the Deadline for Issuing Addenda, BC Housing may at its discretion extend the Submission Date for a reasonable amount of time.

### **Verify, Clarify and Supplement**

When evaluating responses, BC Housing may request further information from the Proponent or third parties to verify or clarify or supplement the information provided in the proponent's proposal. BC Housing may revisit and re-evaluate the proponent's response or ranking based on any such information.

### **No Incorporation by Reference**

The entire content of the Proponent's proposal should be submitted in a fixed form, and the content of websites or other external documents referred to in the Proponent's proposal will not be considered to form part of its proposal.

### **Proposal to Be Retained by BC Housing**

BC Housing will not return the proposal, or any accompanying documentation submitted by a Proponent.

## **4.3. Negotiations, Notification and Debriefing**

### **Selection of Top-Ranked Proponent**

The top-ranked proponent, as established under Part 3 – Evaluation of Proposals, may receive a written invitation to enter into direct contract negotiations with BC Housing.

### **Timeframe for Negotiations**

BC Housing intends to conclude negotiations within thirty (30) days commencing from the date BC Housing invites the top-ranked Proponent to enter negotiations. A Proponent invited to enter into direct contract negotiations should therefore be prepared to provide requested information in a timely fashion and to conduct its negotiations expeditiously.

### **Process Rules for Negotiations**

Any negotiations will be subject to the process rules contained in this Part 4 – Terms and Conditions of RFP Process and the Submission Form (Appendix B) and will not constitute a legally binding offer to enter into a contract on the part of BC Housing or the Proponent. Negotiations may include requests by BC Housing for supplementary information from the Proponent to verify, clarify or supplement the information provided in its proposal or to confirm the conclusions reached in the evaluation, and may include requests by BC Housing for improved pricing from the Proponent.

### **Terms and Conditions**

The terms and conditions found in the Form of Agreement (Appendix A) are to form the starting point for negotiations between BC Housing and the selected Proponent.

### **Failure to Enter Into Agreement**

Proponents should note that if the parties cannot execute a contract within the allotted thirty (30) days, BC Housing may invite the next-best-ranked Proponent to enter into negotiations. In accordance with the process rules in this Part 4 – Terms and Conditions of RFP Process and the Submission Form (Appendix B), there will be no legally binding relationship created with any Proponent prior to the execution of a written agreement. With a view to expediting contract

formalization, at the midway point of the above-noted timeframe, BC Housing may elect to initiate concurrent negotiations with the next-best-ranked Proponent. Once the above-noted timeframe lapses, BC Housing may discontinue further negotiations with that Proponent. This process shall continue until a contract is formalized, until there are no more Proponents remaining that are eligible for negotiations or until BC Housing elects to cancel the RFP process.

### **Notification to Other Proponents**

Other Proponents that may become eligible for contract negotiations will be so notified at the commencement of the negotiation process. Once a contract is executed between BC Housing and a Proponent, the other Proponents may be notified directly in writing and shall be notified by public posting in the same manner that the RFP was originally posted of the outcome of the procurement process and the award of the contract.

### **Debriefing**

Proponents may request a debriefing after receipt of a notification of award. All requests must be in writing to BC Housing Contact and must be made within sixty (60) days of notification of award. The intent of the debriefing information session is to aid the Proponent in presenting a better proposal in subsequent procurement opportunities. Any debriefing provided is not for providing an opportunity to challenge the procurement process.

### **Bid Protest Procedure**

If a Proponent wishes to challenge the outcome of the RFP process, it should provide written notice to the BC Housing Contact within thirty (30) days of notification of award, and BC Housing will respond in accordance with its bid protest procedures.

## **4.4. Prohibited Communications and Confidential Information**

### **Prohibited Proponent Communications**

The Proponent shall not engage in any Conflict of Interest communications and should take note of the Conflict of Interest declaration set out in the Submission Form (Appendix B). For the purposes of this Section, "Conflict of Interest" shall have the meaning ascribed to it in the Submission Form (Appendix B).

### **Proponent Not to Communicate with Media**

A Proponent may not at any time directly or indirectly communicate with the media in relation to the RFP or any contract awarded pursuant to the RFP without first obtaining the written permission of the BC Housing Contact.

### **Confidential Information of BC Housing**

All information provided by or obtained from BC Housing in any form regarding the RFP either before or after the issuance of the RFP

- a. is the sole property of BC Housing and must be treated as confidential;
- b. is not to be used for any purpose other than replying to the RFP and the performance of any subsequent Contract;
- c. must not be disclosed without prior written authorization from BC Housing; and



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- d. shall be returned by the Proponents to BC Housing immediately upon the request of BC Housing.

### **Confidential Information of Proponent**

The confidentiality of information will be maintained by BC Housing, except as otherwise required by law or by order of a court or tribunal. Proponents are advised that their proposals will, as necessary, be disclosed on a confidential basis, to BC Housing's advisers retained for evaluating or participating in the evaluation of their proposals. If a Proponent has any questions about the collection and use of personal information pursuant to the RFP, questions are to be submitted to the BC Housing Contact.

## **4.5. Procurement Process Non-binding**

### **No Contract A and No Claims**

The procurement process is not intended to create and shall not create a formal legally binding bidding process and shall instead be governed by the law applicable to direct commercial negotiations. For greater certainty and without limitation: (a) the RFP shall not give rise to any "Contract A"-based tendering law duties or any other legal obligations arising out of any process contract or collateral contract; and (b) neither the Proponent nor BC Housing shall have the right to make any breach of contract, tort or other claims against the other with respect to the award of a contract, failure to award a contract or failure to honour a response to the RFP.

### **No Contract until Execution of Written Agreement**

The RFP process is intended to identify prospective vendors for the purposes of negotiating potential agreements. No legal relationship or obligation regarding the procurement of any good or service shall be created between the Proponent and BC Housing by the RFP process until the successful negotiation and execution of a written agreement for the acquisition of such goods and/or services.

### **Non-binding Price Estimates**

While the pricing information provided in responses will be non-binding prior to the execution of a written agreement, such information will be assessed during the evaluation of the responses and the ranking of the Proponents. Any inaccurate, misleading or incomplete information, including withdrawn or altered pricing, could adversely impact any such evaluation, ranking or contract award.

### **Disqualification for Misrepresentation**

BC Housing may disqualify the Proponent or rescind a contract subsequently entered if the Proponent's response contains misrepresentations or any other inaccurate, misleading or incomplete information.

### **References and Past Performance**

BC Housing's evaluation may include information provided by the Proponent's references and may also consider the Proponent's past performance on previous contracts with BC Housing or other institutions.



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### **Inappropriate Conduct**

BC Housing may prohibit a supplier from participating in a procurement process based on past performance or based on inappropriate conduct in a prior procurement process, and such inappropriate conduct shall include but not be limited to the following: (a) the submission of quotations containing misrepresentations or any other inaccurate, misleading or incomplete information; (b) the refusal of the supplier to honour its pricing or other commitments made in its proposal; or (c) any other conduct, situation or circumstance, as solely determined by BC Housing, which constitutes a Conflict of Interest. For the purposes of this Section, "Conflict of Interest" shall have the meaning ascribed to it in the Submission Form (Appendix B).

### **Cancellation**

BC Housing may cancel or amend the RFP process without liability at any time.

## **4.6. Governing Law and Interpretation**

### **Governing Law**

The terms and conditions in this Part 4 – Terms and Conditions of RFP Process (a) are included for greater certainty and are intended to be interpreted broadly and separately (with no particular provision intended to limit the scope of any other provision); (b) are non-exhaustive (and shall not be construed as intending to limit the pre-existing rights of the parties to engage in pre-contractual discussions in accordance with the common law governing direct commercial negotiations); and (c) are to be governed by and construed in accordance with the laws of the province or territory within which BC Housing is located and the federal laws of Canada applicable therein.

- **APPENDIX A – FORM OF AGREEMENT**
- **APPENDIX B – SUBMISSION FORM**
- **APPENDIX C – RATED EVALUATION CRITERIA –  
DEVELOPMENT & OPERATIONS PROJECTS**
- **APPENDIX D - RATED EVALUATION CRITERIA –  
DEVELOPMENT ONLY PROJECTS**

## APPENDIX A - FORM OF AGREEMENT

- For PRHC or CRD owned units, the housing provider will enter in to an operator agreement with the owner to operate the units. Non-profit owned units financed through BC Housing will require a PIAH Operating Agreement with BC Housing.



## APPENDIX B - SUBMISSION FORM

### 1. Proponent Information

Please fill out the following form, and name one person to be the contact for the RFP response and for any clarifications or amendments that might be necessary.	
Full Legal Name of Proponent:	
Any Other Relevant Name under Which the Proponent Carries on Business:	
Street Address:	
City, Province/State:	
Postal Code:	
Phone Number:	
Contact Person and Title:	
Contact Phone:	
Contact E-mail:	

### 2. Acknowledgment of Nonbinding Procurement Process

The Proponent acknowledges that the RFP process will be governed by the terms and conditions of the RFP, and that, among other things, such terms and conditions confirm that this procurement process does not constitute a formal legally binding bidding process, and that there will be no legal relationship or obligations created until BC Housing and the selected Proponent have executed a written contract.

### 3. Ability to Provide Deliverables

The Proponent has carefully examined the RFP documents and has a clear and comprehensive knowledge of the Deliverables required under the RFP. The Proponent represents and warrants its ability to provide the Deliverables required under the RFP in accordance with the requirements of the RFP for the Rates set out in the Rate Bid Form and has provided a list of any subcontractors to be used to complete the proposed contract. The Proponent encloses herewith as part of the proposal the required forms and documents set out below:

FORM	INITIAL TO ACKNOWLEDGE
Appendix B – Submission Form	
Response to Rated Evaluation Criteria – Appendix C or D	

**Notice to Proponents:** There may be forms required in the RFP other than those set out above. Please see the Minimum Requirements section of the RFP for a complete listing of required forms.



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### Ability to Provide Deliverables

The proponent has carefully examined the RFP documents and has a clear and comprehensive knowledge of the Deliverables required under the RFP. The proponent represents and warrants its ability to provide the Deliverables required under the RFP in accordance with the requirements of the RFP for the Rates set out in the Submission Form and has provided a list of any Sub-Consultants to be used to complete the proposed contract.

### Electronic Funds Transfer

BC Housing implemented direct deposit payment (EFT) that requires all vendors to set up direct deposits as the method of receiving payments from BC Housing. Please identify your current payment status

- Our company currently receives payment from BC Housing through direct deposit
- Our company does not currently receive payment from BC Housing through direct deposit. A BC Housing direct deposit form and void cheque will be submitted upon award of the opportunity.

[https://www.bchousing.org/resources/Bid/Vendor\\_direct\\_deposit.pdf](https://www.bchousing.org/resources/Bid/Vendor_direct_deposit.pdf)

### Addenda

The Proponent is deemed to have read and accepted all addenda issued by BC Housing prior to the Deadline for Issuing Addenda. The onus remains on Proponents to make any necessary amendments to their proposal based on the addenda. The Proponent is requested to confirm that it has received all addenda by listing the addenda numbers or, if no addenda were issued, by writing the word "None" on the following line: \_\_\_\_\_.

Proponents who fail to complete this section will be deemed to have received all posted addenda.

### Collection and Use of Personal Information

Proponents are solely responsible for familiarizing themselves, and ensuring that they comply, with the laws applicable to the collection and dissemination of information, including bios, profiles and/or other personal information concerning employees and/or employees of any subcontractors.

Where BC Housing has issued a RFP that requires a Proponent to provide personal information of employees and/or subcontractors included as resources in response to the RFP, Proponents shall ensure that they have obtained written consent from each of those employees and/or subcontractors prior to submitting its proposal. Such written consents are to specify that the personal information forwarded to BC Housing is required for the purposes of responding to this RFP and use by BC Housing only for the purposes as set out in the RFP.

BC Housing reserves the right to request original or copies of the consents when required. Proponents shall comply and respond to all such requests as immediately possible.

- Personal Information **has been submitted** in relation to the RFP requirements and all required employee consents have been obtained and are retained by the Proponent.
- Personal Information **has not been submitted** in relation to the RFP requirements. Employee consents are not required.



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**Conflict of Interest**

For the purposes of this section, the term “Conflict of Interest” means

- a. in relation to the RFP process, the Proponent has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including but not limited to (i) having, or having access to, confidential information of BC Housing in the preparation of its submission that is not available to other Proponents, (ii) communicating with any person with a view to influencing preferred treatment in the RFP process (including but not limited to the lobbying of decision makers involved in the RFP process), or (iii) engaging in conduct that compromises, or could be seen to compromise, the integrity of the RFP process; or
- b. in relation to the performance of its contractual obligations contemplated in the contract that is the subject of this procurement, the Proponent’s other commitments, relationships or financial interests (i) could, or could be seen to, exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgement, or (ii) could, or could be seen to, compromise, impair or be incompatible with the effective performance of its contractual obligations.

If the box below is left blank, the Proponent will be deemed to declare that (a) there was no Conflict of Interest in preparing its proposal; and (b) there is no foreseeable Conflict of Interest in performing the contractual obligations contemplated in the RFP.

Otherwise, if the statement below applies, check the box.

- The Proponent declares that there is an actual or potential Conflict of Interest relating to the preparation of its proposal, and/or the Proponent foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the RFP.

If the Proponent declares an actual or potential Conflict of Interest by marking the box above, the Proponent must set out below details of the actual or potential Conflict of Interest.

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The following individuals, as employees, advisers, or in any other capacity (a) participated in the preparation of our proposal; **AND** (b) were employees of BC Housing and have ceased that employment within twelve (12) months prior to the Submission Date.

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Name of Individual:

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Job Classification:

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Department:

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Last Date of Employment with BC Housing and/or its Affiliates:

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Name of Last Supervisor:

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Brief Description of Individual’s Job Functions:

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Brief Description of Nature of Individual's Participation in the Preparation of the Proposal:

(Repeat above for each identified individual)

The Proponent agrees that, upon request, the Proponent shall provide BC Housing with additional information from each individual identified above in the form prescribed by BC Housing.

**Disclosure of Information**

The Proponent hereby agrees that any information provided in this proposal, even if it is identified as being supplied in confidence, may be disclosed where required by law or if required by order of a court or tribunal. The Proponent hereby consents to the disclosure, on a confidential basis, of this proposal by BC Housing to BC Housing's advisers retained for evaluating or participating in the evaluation of this proposal.

Signature of Witness

Signature of Proponent Representative

Name of Witness

Name and Title

Date:

I have authority to bind the Proponent

**If your organization will be acting AS BOTH the Developer and Operator, please use Appendix C as the guide to completing your submission.**

**If your organization will be acting ONLY as the Developer, please use Appendix C as the guide to completing your submission.**

## APPENDIX C – RATED EVALUATION CRITERIA – DEVELOPMENT & OPERATIONS

The information submitted in response to the categories below will be used in assessing the feasibility of the proponent’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 (with any relevant appendices) and organize by headings below.

**a) Clients and Concept: (27 points)**

- 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, 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: (52 points)**

- 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

Unit Type	Number of Affordable Rental Units (and %)	Number of Market Rental Units (and %)	Unit Size (square footage)	Anticipated Monthly Rent
Studio				
One Bedroom				
Two Bedroom				
Three Bedroom				
Four Bedroom				

- Any other building spaces such as common rooms, amenities, commercial spaces, etc. and estimated size of this space
- 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: (16 points)**

- 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.)
- 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: (5 points)**

- 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

## APPENDIX D – RATED EVALUATION CRITERIA – DEVELOPMENT ONLY

The information submitted in response to the categories below will be used in assessing the feasibility of the proponent’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 (with relevant appendices) and organize by headings below.

**a) Concept: (50 points)**

- Physical site location (exact address) including legal description, current registered owner, copy of the Title Search, 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 development
- Any partnerships your organization may enter into with the development or operation of this project and why these organizations were selected

**b) Project Development: (50 points)**

- 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

Unit Type	Unit Size (square footage)	Number of Units (and % of Total)
Studio		
One Bedroom		
Two Bedroom		
Three Bedroom		
Four Bedroom		

- Any other spaces such as common rooms, amenities, commercial spaces, etc. and estimated size of this space
- Number of parking spaces and location within the development
- Estimated total capital cost per affordable rental unit
- High level schedule showing construction commencement, completion and any municipal approvals if relevant.

**END OF RFP**



# *Regional Housing First Program*

## **PROGRAM FRAMEWORK**

October 2016

## INTRODUCTION

In May 2016, the Capital Regional District (CRD)/Capital Regional Hospital District (CRHD), the Vancouver Island Health Authority (Island Health), BC Housing, and the Provincial Rental Housing Corporation (PRHC) entered a Partnering Agreement to facilitate the creation of sustainable affordable rental housing in the capital region, with an emphasis on the needs of individuals experiencing homelessness. BC Housing has made available \$30 million from the Provincial Investment in Affordable Housing (PIAH) program, matched by \$30 million made available by the CRD/CRHD and all three partnering organizations have agreed, through this combined investment, to create the Regional Housing First Program (RHFP). The total \$60 million in capital funding will be approved through the Regional Housing First Program.

Through RHFP, BC Housing and CRD will invest \$60M to develop and acquire new affordable housing units to be owned by CRD or PRHC and operated by successful project proponents or non-profit partners. In addition, CRD and BC Housing will seek partnership opportunities to further increase the supply of affordable rental housing within the capital region. This will be achieved by leveraging contributions from others along with the Province's capacity to provide construction and mortgage financing at reduced rates.<sup>1</sup>

Projects developed through RHFP must be able to operate without any ongoing operating subsidies from the CRD or BC Housing. Projects will typically apply a mixed-income approach and be situated toward the independent range of housing options, with a portion of units in each project targeted to individuals experiencing homelessness. Priority will be given to projects that include a portion of units that rent at provincial Income Assistance Rates. While support services are not included in these projects, proponents must demonstrate the interest and capacity to accommodate some individuals who require supports that are provided or funded by third parties, such as Island Health or other community partners.

## PRINCIPLES

The following principles guide how BC Housing and the CRD implement and administer the program and their relationship with partners and government.

- 1. Affordable housing is established in the capital region, including units targeted for individuals experiencing homelessness who may or may not require supports.**
- 2. Sustainability**
  - a) Developments will be financially sustainable without additional financial assistance from BC Housing or CRD.
  - b) BC Housing and CRD consider environmentally sustainable practices a priority and encourages commitments to this end.
- 3. Consistency with regional and community priorities and plans**
  - a) Community and local/regional government support for the project should be evident.
  - b) Projects should be consistent with any Official Community Plans and strategies.
- 4. Project partners are expected to maximize their equity contribution to projects**

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<sup>1</sup> BC Housing's capability to provide financing to facilitate the development of affordable rental housing for eligible households is enacted through provincial regulation. See: *Ministry of Lands, Parks and Housing Act*, R.S.B.C. 1979, [http://www.bclaws.ca/EPLibraries/bclaws\\_new/document/ID/freeside/11\\_490\\_79](http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/11_490_79): BC Housing Management Commission Regulation

## 5. Transparent and accountable operations

- a) BC Housing and CRD will employ fair and consistent processes when evaluating and selecting projects.
- b) Project partners will maintain reliable and consistent records and fulfill reporting obligations to CRD and BC Housing.

## PROGRAM PURPOSE

**Goal:** To create a range of affordable and appropriate housing options that address the needs of people experiencing homelessness, as well as create affordable and appropriate housing options for low to moderate income households in the capital region.

**Objective:** Increase the supply and broaden the range of affordable rental housing in the capital region.

### Outputs:

1. Equity contributions from BC Housing and CRD for the development and acquisition of PRHC owned or CRD owned units.
2. Interim construction and take-out financing for eligible non-profit partnership projects.
3. Operator/Operating Agreements established with the proponent or non-profit partner managing approved housing projects.
4. New affordable rental units created in the capital region.

### Outcomes:

1. More low and moderate income households living in affordable, appropriate housing, including individuals who were previously experiencing homelessness.
2. Affordable housing is operated successfully over the expected life of the developments without operating subsidies or supplemental funding from CRD or BC Housing.

### Indicators:

1. Number of new units created or leveraged for eligible households.
2. Number of Operator/Operating Agreements established with non-profit housing partners.

## FUNDING

### Equity Contributions

BC Housing and CRD administer equity contributions through the purchase of affordable rental housing units to be owned by PRHC or CRD<sup>2</sup>. These units are then operated by the proponent or their non-profit partners. PRHC or CRD owned units may comprise 100% of the project, or be located within a larger project that includes units owned by partners (i.e. strata units).

### Project Partner Contributions

Partnerships are encouraged to leverage additional units and further increase the affordability of

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<sup>2</sup> PRHC or CRD ownership interest is required for RHFP funds, such as fee simple, a registered long-term leasehold interest in the land and building or other forms of ownership acceptable to BC Housing and CRD. Depending on the project, BC Housing or CRD may elect to directly manage these units.

housing units. Partner contributions may include capital funding, land or other equity contributions. Partners may be non-profit housing providers, government agencies, the private sector or other community organizations.

### **Financing<sup>3</sup>**

BC Housing may provide interim construction financing for the development of affordable housing, including new construction or acquisition and renovation of existing buildings to preserve affordability. Interim financing may be approved up to 100% of the cost to complete the affordable housing project.

BC Housing may also help eligible non-profit housing partners obtain take-out financing for non-profit-owned units. BC Housing will make arrangements with NHA approved lenders to obtain low interest rates and favourable terms through a competitive tender and selection process conducted and approved by BC Housing. All approved BC Housing take-out loans will have Canada Mortgage and Housing Corporation (CMHC) loan insurance.

Depending on the type of project, BC Housing will typically require the following security registered on title where take-out financing is provided:

- Execution and registration of BC Housing's standard mortgage security package, and
- A Section 219 restrictive covenant.

Security considerations will vary from project to project. However, the project partner must have a mortgageable interest in the property.

## **PROJECT ELIGIBILITY**

BC Housing, Island Health, and CRD will consider proposals for funding through an open proposal call for submissions. The evaluation of submissions will be based on proponent and project eligibility, need and demand, lending criteria and available financing.

The following minimum eligibility requirements must be met<sup>4</sup>:

1. The site must be located in the capital region and be suitable for affordable housing.
2. Housing must be for Low and Moderate income households and may include a portion of Income Assistance Rate Units for individuals experiencing homelessness.
3. The project partner must present a clear business case for the project, including a demonstrated ability to maintain the proposed rents over time without any operating subsidies or grants for capital repairs/replacements from either CRD or BC Housing.
4. The non-profit project partner must own and control a mortgageable interest in the property if take-out financing is required.
5. The project partner will demonstrate present and future need and demand for affordable rental housing in the target community. Project partners should refer to the Need and Demand Study Document template for the recommended approach for all units within the project (see <http://www.bchousing.org/Partners/Opportunities/Framework>).
6. The project partner is encouraged to bring equity to the development in the form of cash, grants, municipal reductions, subordinated debt, or unencumbered land.
7. Non-profit project partners must:

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<sup>3</sup> Financing is subject to BC Housing's Lending Criteria.

<sup>4</sup> BC Housing and CRD may require additional guarantees or security in certain cases as they deem appropriate.

- a) Be incorporated under the laws of British Columbia or Canada.<sup>5</sup>
- b) Ensure their constitution and bylaws meet BC Housing requirements.
- c) Demonstrate the capacity to manage project construction and operate the affordable housing development as intended.

While all project partners must meet the minimum eligibility requirements, priority will be given to projects that include a portion of units that rent at Income Assistance rates. The CRD or BC Housing may also prioritize projects based on available equity contributions, financing and other determining factors as indicated below:

- Greater need and demand/community impact
- Greater affordability
- Larger equity contribution
- Geographic location

## KEY PROGRAM ELEMENTS

The RHFP model is based on a mixed-income approach. Projects will typically include a combination of *Affordable Rental Units* and *Income Assistance Rate Units*.

### Income Assistance Rate Units

Income Assistance Rate units are rented at rates equal to the maximum shelter component of Income Assistance. To be eligible, individuals must be 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.

### Affordable Rental Units

The rent structure for Affordable Rental units will vary depending on the characteristics of the particular project, the tenant population served, and whether or not funding from other sources is layered into the project. Rents may be structured as affordable market rents, fixed rents, and may include some rent-gear-to income units where feasible.

Rents must not exceed the Affordable Market Rent, set at the average market rent based on CMHC's rental market or housing report, or an alternative based on local community conditions, as agreed by BC Housing.

Low and moderate income households are eligible for Affordable Rental Units. The income threshold used to define low and moderate income households depends on the number of bedrooms in the unit.

- **Units with two or more bedrooms:** Low and moderate income households are those whose gross household income does not exceed the median income for families with children, as determined by BC Housing from time to time.<sup>6</sup>
- **Units with less than two bedrooms:** Low and moderate income households are those whose gross household income does not exceed the median income for families without children, as determined by BC Housing from time to time.<sup>7</sup>

<sup>5</sup> Ministry of Lands, Parks and Housing Act, R.S.B.C. 1979:

[http://www.bclaws.ca/EPLibraries/bclaws\\_new/document/ID/freeside/11\\_490\\_79](http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/11_490_79): BC Housing Management Commission Regulation.

<sup>6</sup> BC Housing determines this figure using data released by Statistics Canada - Income Statistics Division: *T1 Family File - Median Income for British Columbian Couple Families (With Children)*. For 2016, this figure is \$67,540.

<sup>7</sup> BC Housing determines this figure using data released by Statistics Canada - Income Statistics Division: *T1 Family File - Median Income*

For projects involving a mix of unit sizes, the corresponding income threshold will be applied to each unit.

## **Agreements**

Housing providers must enter into an applicable agreement with CRD and/or BC Housing for the operation of the development<sup>8</sup>:

1. For PRHC or CRD owned units, the housing provider will enter in to an operator agreement with the owner to operate the units.
2. For non-profit owned units, the housing provider will enter in to an operating agreement with BC Housing to provide affordable housing for low and moderate income households.

## **Design Guidelines**

Projects are encouraged to meet or exceed the BC Housing Design and Construction Guidelines ([http://www.bchousing.org/Partners/Standards\\_Procurement/Standards](http://www.bchousing.org/Partners/Standards_Procurement/Standards)). CRD and provincially funded units must meet high standards of environmental sustainability, including low GHG emissions. Certifications may include LEED, R2000, Passive House, or other equivalent.

## **ROLES AND RESPONSIBILITIES**

### **BC Housing / CRD**

- Evaluating project proposals.
- Providing equity contributions or facilitating financing.
- Providing technical assistance and advice.
- Monitoring and evaluating the success of the program.

### **Project Partners**

- Coordinating the design and construction of developments.
- Day to day operations and management of the housing, including the provision of property management services.
- Identification and selection of tenants, including verification of their income.
- Periodic reporting to CRD and/or BC Housing as specified in the operating agreement.
- Ensuring the financial viability and long term operating success of the housing.

## **MONITORING AND REPORTING**

Monitoring ensures program compliance and minimizes risk to all stakeholders: residents, project partners and BC Housing.

BC Housing's and CRD's main interests are:

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*for British Columbian Couple Families (Without Children).* For 2016, this figure is \$96,170.

<sup>8</sup> Where no housing provider is initially identified, CRD or BC Housing may, at their discretion, either select a housing provider or elect to directly manage the project's operations.

- Targeted households are being housed.
- Affordable rents are maintained.
- Construction standards and value for money are met.
- Developments are financially viable with no operating subsidies from BC Housing.
- Buildings are maintained to an appropriate standard for their expected lifespan.
- Project partners meet contractual obligations.

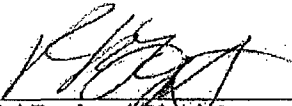
From time to time, the project partner is required to submit a report, using a template provided by BC Housing and/or CRD, addressing these key requirements:


- Current financial statements.
- Current rent levels.
- Household incomes at move-in.

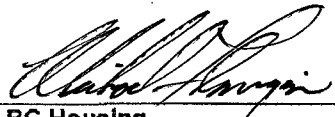
An on-site visit by BC Housing and/or CRD staff may occur from time to time, dependent on any issues arising and/or where financial and operating risks are considered to be greater.

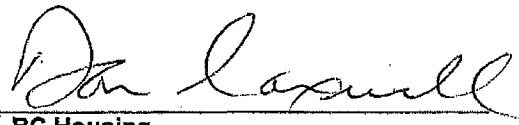
## SIGN-OFF

The RHFP Program Framework requires final sign-off by the CRD Chief Administrative Officer and Manager of Bylaw and Contract Administration and BC Housing Vice-Presidents of Development and Asset Strategies and Corporate Services.

  
 Capital Regional District  
 Chief Administrative Officer  
 Robert Lapham

  
 Capital Regional District  
 Manager, Bylaw and Contract  
 Services KRISTEN MORLEY

  
 BC Housing  
 Vice President Development and  
 Asset Strategies

  
 BC Housing  
 Vice President, Corporate Services