

**Request for Proposals
From Indigenous Non-Profit Housing Providers
To Lease and Operate Affordable Rental Housing
At 218 Carlton Street**

**ADDENDUM #3
January 8, 2021**

**Questions and Answers from the December 17, 2020
Information Session**

Q1. Will there be any cost to the non-profit operator for the lease at 218 Carlton Street?

A1. No, there will be no cost to the non-profit operator, the lease will be at a nominal rate.

Q2. The language in the Request for Proposals (RFP) is unclear about the availability of rent supplements. Is the City providing any?

A2. The City is unable to commit at this time that it will have the full number of requested rent supplements available, but will make best efforts to provide the rent supplements requested prior to occupancy. Since the exact number of units in the renovated building is not known at this time, proponents should identify in their proposals the percentage of rent supplements they are requesting from the City.

Q3. Does the City have any funds available for support services?

A3. No, the City does not have any funds available for support services. Proponents are encouraged to partner with an Indigenous support services provider with funding to provide supports for tenants.

Q4. The RFP notes that the building will have approximately 10 bachelors of 300-350 square feet. Why is this, as the Affordable Housing Design Guidelines state that bachelors should be a minimum of 377 square feet?

A4. The projected unit sizes are lower than the Guidelines due to the restrictive dimensions of the existing building. The unit sizes will be finalized through the design process, striking a balance between sufficient unit size and good design, and maximizing the unit number to assist as many people as possible.

Q5. How much say will the Successful Proponent have in the design of the building?

A5. The Successful Proponent will have input into the design of the building.

The City is in the process of hiring a Consulting Architect that will work with the Successful Proponent, Housing Secretariat staff and the architects who are designing the building. MOD Development Inc. has hired the firm Architects Alliance to be the architects for the renovations. MOD will also hire the contractor to carry out the renovations, as per the terms of the Section 37 Agreement with the City.

The City's intention, as owner of the building, is to ensure that the renovations carried out will be suitable for the long term use of the property by the Successful Proponent and for the proposed tenants.

The City, the Consulting Architect and the Successful Proponent will meet regularly to agree upon a building layout, specifications and materials. The Affordable Housing Design Guidelines will provide direction in this regard.

Q6. Are the local Councillor and the surrounding community aware of the project? Are they likely to be opposed to the project, especially given that the nearby Native Women's Centre is also under redevelopment?

A6. The purchase, renovation and non-profit operating plan were supported by the local Councillor through the Section 37 arrangements with the developer. The project has not been discussed with the surrounding community to date.

There will likely be a Committee of Adjustment hearing required to deal with minor variances to the zoning on the property. Surrounding property owners will be notified of the hearing and will be able to address the Committee.

Q7. The RFP did not require the submission of a community consultation plan by Proponents but isn't this something the Successful Proponent should prepare and implement?

A7. Yes, this was an oversight and the City will issue an Addendum to request Proponents provide details of past experience carrying out community consultations for new developments for affordable housing or other uses. The City will work with the Successful Proponent on developing and carrying out a community consultation plan for the site.

Q8. What is MOD's commitment to carrying out the renovations to make the building suitable for affordable rental housing? Their website includes negative comments about Section 37 costs.

A8. MOD is committed to delivering a good quality, fully renovated building, in accordance with the specifications agreed to with the City. As the intended owner of the

building, the City will oversee the renovations and ensure that the work is properly carried out.

Q9. Is there a possibility for the Successful Proponent to own or lease to own the property rather than lease it for 50 years from the City?

A9. The Section 37 Agreement and the City Council report included in Appendix 3 of the RFP both state that the property is to be leased to a non-profit for use as affordable rental housing. Any change to this would require approval by Council and an amendment of the Section 37 Agreement.

Q10. Should an Indigenous group that does not have a track record operating affordable rental housing, but does have experience providing support services in affordable housing and intends to partner with a non-Indigenous organization to provide property management services, apply under this RFP?

A10. Yes, so long as the Indigenous group will be the Proponent and is prepared to enter into the legal agreements with the City required by the RFP.

The RFP states that the Proponent or a partner organization can provide the experience necessary to make them eligible to apply. Please refer to Section 2.1 Who Should Apply (i) and (ii).

Under these circumstances, be sure to include in the proposal full information about the partner's qualifications and track record, any partnership agreement that is in place, and information on how the partners have worked together in the past.

Answers to Questions Received by Email

Q1. Since this is a small building with no economy of scale can the RFP be changed to allow the Proponent to collect 100% of AMR on the entire building (all units)?

A1. No, despite the small scale of the building, rents are expected to average no more than 80% of AMR. At a building average of 80% AMR some rents may be at the maximum of 100% AMR and others lower. The monthly bachelor rent for 2020 at 80% AMR is \$918/unit or \$11,016/unit/year. As no mortgage expenses are anticipated, this income will be available to pay operating costs and is expected to be sufficient to properly maintain the building.

Q2. Can the income from laundry and parking be removed from the operating budget provided in the RFP? Parking will be needed for staff and contractors coming to work at the building. Laundry should be provided at cost to tenants because of their economic situation and should not be used as a profit center given the clients that the building will serve.

A2. Laundry and parking revenues can be set at the Proponent's discretion. If there will be no revenue from parking please insert \$0 at that line in the operating budget. If laundry will be provided at cost please provide a budget that reflects this. Proposals are expected to include explanations and rationales for budgeted amounts in the Notes to the Budget section.