

PROCUREMENT SERVICES

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ADDENDUM No. 1

REQUEST FOR EXPRESSIONS OF INTEREST AND STATEMENT OF QUALIFICATIONS No.:	1220-050-2024-009
TITLE:	Indigenous Affordable Housing Units within Mixed- Use Hub
ADDENDUM ISSUE DATE:	March 15, 2024
DATE:	PREFER TO RECEIVE SUBMISSION ON OR BEFORE March 20, 2024.

INFORMATION FOR RESPONDENTS

Respondents are advised that Addendum No. 1 to 1220-050-2024-009 is hereby issued by the City. This addendum shall form part of the contract documents and is to be read, interpreted and coordinated with all other parts. The following information is provided to answer questions raised by Respondents for the above-named project, to the extent referenced and shall become a part thereof. No consideration will be allowed for extras due to the Respondents or any sub-contractor not being familiar with this addendum. This Addendum No. 1 contains three (3) page/s.

QUESTIONS AND ANSWERS:

- **Q1.** This RFEOI is looking for a non-profit housing provider for the operation of the non-market, affordable rental units. Is this project in partnership with another organization other than the city of Surrey to operate the remainder of the Hub? Who will be operating the health and other services, purpose-built shelter and supportive housing units?
- A1. Yes, the Hub project will be developed and operated in partnership with another organization(s), not the City of Surrey. The operators of the service space, purpose-built shelter and supportive housing units have not yet been confirmed.
- **Q2.** Through this RFEOI is the applicant applying for the development dollars? If so, how many units are they being asked to apply for?

- A2. Yes, the intention is that the applicant will apply to Building BC: Indigenous Housing Fund (submission deadline is May 15, 2024) for the development funding for non-market rental units. The preliminary estimate is for the Hub to include 50 rental units. Please note that as the Indigenous housing units are part of the larger Hub project, the City has engaged a development consultant to prepare the IHF application. The development consultant will work with the preferred proponent.
- **Q3.** To confirm, the City is committing to selecting a proponent by March 27th, with the expectation that the selected proponent will be submitting a proposal for IHF for May 15th. Is this accurate?
- A3. Yes, this is accurate.
- **Q4.** Has any due diligence been completed on the site?
- A4. Initial discussions related to the site have been undertaken with key internal City asset groups (i.e. Area Planning, Transportation, Land Development Engineering) to understand the site requirements in terms of road dedication, servicing, allowable density, etc. Further work will be undertaken by the development consultant that has been engaged to prepare the IHF application in conjunction with the preferred respondent.
- **Q5.** Can the site location be disclosed at this time to ensure a more substantive submission to the RFEOI?
- A5. The site location is currently confidential and cannot be disclosed at this time. The site location will be shared with the preferred respondent, once selected.
- **Q6.** Can any information be provided with regard to the location of the site? What services are nearby?
- A6. The site is located in a town centre area with excellent access to frequent transit service. Many recreational and commercial amenities, including a grocery store, are located in close proximity. An elementary school and secondary school are located within less than a kilometre from the site.
- **Q7.** Has any preliminary design work been completed to support the IHF submission?
- A7. The development consultant that has been engaged to prepare the IHF application is in the process of retaining an architect to begin preliminary design work. The architect for the pre-design work is anticipated to be selected prior to the selection of the preferred respondent to the RFEOI.
- **Q8.** Will the City of Surrey make any pre-development funding available to ensure that a comprehensive submission is made?
- A8. The City is in the process of applying to BC Housing for Pre-Development Funding (PDF). If successful, the PDF funds would support the development of the IHF application, as well as the preparation of a development application for the project.
- **Q9.** Will rezoning be required?
- A9. Yes, rezoning will be required.
- **Q10.** Is the site vacant? Will demolition/hazmat be required?

- A10. The site is not vacant. An existing building will be required to be demolished prior to the rezoning application receiving final approval and the Development Permit being issued.
- Q11. What is the timeline for council approval of the selected proponent?
- A11. Once the preferred respondent is selected, a Corporate Report will be forwarded to Council in advance of the May 15, 2024 IHF deadline to seek authorization to proceed with an IHF application for the site in conjunction with the preferred respondent.
- **Q12.** Can the City provide any documentation to support shortening the development approval process for the project? This would be a major benefit for the submission to IHF.
- A12. The City is the recipient of CMHC Housing Accelerator Funds (HAF). Two of the planned deliverables under the City's HAF Action Plan relate directly to accelerating the provision of affordable housing: 1) Affordable Housing Development Incentives Program; and 2) Increase the Supply of Below Market Affordable Housing. For more information on the City's HAF Action Plan, please visit: <u>https://www.surrey.ca/renovating-building-development/housing-accelerator-fund</u>.
- **Q13.** How will the City show an interest in the land for the purposes of the IHF submission? This is a requirement for submission.
- A13. The City will provide confirmation of the City's intent to enter into a 60-year lease with the preferred respondent for an airspace parcel for the Indigenous affordable rental component within the mixed-use hub once the project has been developed.
- **Q14.** Can you clarify the project structure? Our understanding is that the successful proponent will need to be able to demonstrate an interest in the land for the IHF submission, and that a successful submission to the IHF will require that the proponent be the developer/owner of the housing project, even if it is only one part of the larger project, and not just the operator for the project. Can you clarify the City's vision for the selected proponent, considering BC Housing's requirements for submission?
- A14. It is anticipated that the partner that will act as the developer will enter into a ground lease with the City for the duration of construction. At completion, the ground lease will be dissolved, and separate airspace parcels will be created. The City will lease the airspace parcels to each of the partners in the project, including the non-profit selected through this RFEOI process, who will operate the Indigenous affordable rental housing.

All Addenda will become part of the Contract Documents.

- END OF ADDENDUM -