

September 10, 2014, Regular Meeting of Council
Additions to Agenda

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AGENDA ITEM: 9.7	Joint Housing Committee RFP Outline
Department:	Community Services
Presented by:	Councillor Bossert
Support Staff:	Annette Driessen, Director of Community Services

BACKGROUND:

Earlier this year, the Joint Housing Committee (consisting of the Town of Drayton Valley, Brazeau County, and the Village of Breton), received a mandate to research and develop a proposal which would assist Joint Council in making a determination on the need for a non-market housing management body and, if so determined, to work toward identifying the structure and responsibilities of this body.

Over the course of the ensuing months, joint administration researched the objectives of a housing authority, the benefits to be anticipated, and the governance options available. Additionally, the committee called upon the Housing Division of Municipal Affairs to gain insight into the legislation surrounding housing management bodies and the proposed new loan program anticipated to be announced this fall.

Following on information from Municipal Affairs, joint administration met with the Brazeau Seniors Foundation to determine its role with respect to a regional housing authority. As the management body for seniors housing, this agency has optimal potential for the purposes sought by our municipalities.

The Joint Housing Committee presented its findings to Joint Councils at the September 8th Joint Council Meeting. For discussion was a recommendation to work with the Brazeau Seniors Foundation to determine the feasibility of the Foundation to serve in an expanded role in this housing initiative. An additional recommendation was presented to obtain the services of a qualified firm/individual, through a RFP process, to develop the terms and references for this expanded management responsibility.

Due to the matter of accessible housing being a regional concern, joint administration deemed it appropriate to initially present the information to a Joint Council meeting. With the matter addressed and questions accommodated, the recommendations are now being presented for consideration at the respective Municipal Council meetings.

RECOMMENDATION:

I move that Town Council support in principle a working relationship with the Brazeau Seniors Foundation to explore the expansion of the management responsibilities of the Brazeau Seniors Foundation to serve as the management authority for market, non-market, and social housing for the Town of Drayton Valley, Brazeau County, and the Village of Breton.

I move that Town Council approve the recommendation from the Joint Housing Committee to issue a Request for Proposal to qualified firms/individuals to prepare a proposal outlining the terms and conditions for the Brazeau Seniors Foundation to fulfill the expanded role of the management authority for market, non-market, and social housing for consideration by all parties.

JOINT HOUSING COMMITTEE

Terms of Reference

Committee Mandate

The mandate of the ad-hoc Joint Housing Committee is to work with the appointed representatives from the Town of Drayton Valley, Brazeau County, and the Village of Breton to address the formation of a Regional Housing Authority.

Background

The Town of Drayton Valley and Brazeau County collaborated on the development of a Housing Condition Index Study. The study provided a quantitative review of the housing issues within the region and outlined numerous recommendations to address the housing issues. In addition to the recommendations to create entry level homes and affordable rental units, there are several recommendations dealing with education, development guidelines, and accessing external resources. The mechanism to review, plan and implement the desired recommendations can be optimally accomplished through a Housing Authority. It is therefore the task of the Joint Housing Committee to address the formation of a Regional Housing Authority.

Objectives

The Joint Housing Committee is tasked to research and develop a proposal which will assist Joint Councils in making a determination on the need for a Regional Housing Committee. The proposal will address the following key objectives:

1. To determine a definition of “affordable”, recognizing the current and trending market values for housing.
2. To determine, using quantitative research from the Housing Condition Index report, the optimal number of accommodation units required for the joint community.
3. To specify the purpose of a Regional Housing Authority and to identify the deliverables to be achieved.
4. To outline the governance model of a Regional Housing Authority.
5. To develop an operating budget for a Regional Housing Authority and to determine the method of financing any operations of the entity.
6. To clearly outline the advantages, disadvantages and limitations of a Regional Housing Authority.

The Committee is to provide guidance to joint administration and any expertise retained to complete the work and specifically explore issues and solutions related to the need for a Regional Housing Authority.

Committee Membership and Term

The ad-hoc committee is comprised of six (6) members; two each from the Town of Drayton Valley, Brazeau County, and Village of Breton. The term of the Committee shall end when Joint Councils have been presented with the final recommendation from the Committee.

The Mayor of the Town of Drayton Valley and the Reeve of Brazeau County sit as ex-officio members of the Committee.

Timeline and Deliverables

The committee is tasked to meet the following deliverables:

April, 2014 All Councils approve the Committee mandate

May, 2014 Committee completes research and prepares final recommendations

June 9, 2014 Joint Council reviews Committee report

Roles and Responsibilities

The Town of Drayton Valley shall be responsible for the payment of the expenditures endorsed by the Committee and shall collect the appropriate share from Brazeau County and the Village of Breton.

Advisory Committee

The Committee is advisory in nature and shall be responsible for ensuring that the work is completed in a timely manner and that information regarding the process of the project is shared with their respective Councils.

Meetings of the Committee

Brazeau County shall establish the regular meetings of the committee. The committee shall use consensus as its decision-making process. All decisions at the committee level affecting the operations of either or all Municipal Councils shall be forwarded to all Municipal Councils for recommendation and/or approval. The Committee shall ensure that records of its meetings are kept and appropriately distributed. Committee members may send an alternate member to the meetings.

Authority of the Committee

The Committee does not have the authority to expend any additional funds beyond the approved budget or to go beyond the scope of work agreed to by the municipalities. The Committee shall operate in a manner that is consistent with the Municipal Government Act. A Chair shall be appointed and shall become the official spokesperson of the committee. Certain matters, however, may need to be referred to the Mayors and Reeve of the respective Councils.



Brazeau
Seniors Foundation

5208 – 47 Ave
Drayton Valley, AB T7A 1N7
Phone: (780) 542 – 2712
Fax: (780) 542 – 2765
E-mail: bsf@telusplanet.net

June 12, 2014

Town of Drayton Valley
Box 6837
Drayton Valley, AB
T7A 1A1

Attention: Annette Driessen

Dear Ms. Driessen:

Re: Future Housing for Drayton Valley/Brazeau County Area

The Board of Directors for the Brazeau Seniors Foundation are in favor of pursuing ventures that would enable the area to increase housing for individuals and families working in Drayton Valley who are unable to find appropriate housing within their ability to pay.

The Brazeau County, Town of Drayton Valley and Village of Breton all have representatives on the Board of Directors. Therefore with this kind of mutual venture, it does align very well.

Recent inquiries regarding borrowing power of Management Bodies who will eventually be able to access 50% funding at a low interest rate for non-market housing have confirmed that Municipal Affairs expect to have this program accessible in the Fall of 2014. In this instance and with verbal confirmation from Municipal Affairs, non-market housing would be housing for families/individuals that live within the 'Core Need Income Threshold' (CNIT).

The CNIT is set for the Drayton Valley area at 30,000-Bachelor; 1 bedroom-37,000; 2 bedroom-43,000; 3 bedroom-47,500; 4-bedroom 51,500; 5 bedroom - 54,500. These figures represent the total occupant/family gross income to qualify for non-market housing. I have enclosed a copy of the CNIT rates set for Alberta. The exact formula for arriving at the amounts is unknown.

In consultation with Municipal Affairs, I am currently working on building a case to raise CNIT in this area. Information and/or studies which exist that show the number of people searching for housing in the area would be beneficial. Identifying numbers which include those 'surfing couches' would be ideal. Any information regarding income levels in Drayton Valley would also assist us in this

endeavor. It has been our experience that we do not have numerous applicants which fall within CNIT. These households are the ones recognized by the Province as in need and who qualify for non-market housing.

The goal will be to raise the CNIT in this area to a number which would give households, housing that is affordable (30% of gross income). Keeping that in mind, Drayton Valley has strong household incomes but the current rental rates would be shown to exceed the 'affordable' figures. A full needs assessment around affordability may be beneficial to encourage Municipal Affairs to review the areas CNIT and housing need, if other means of identifying 'need' cannot be found.

The Brazeau Seniors Foundation foresees the additional need for management & maintenance of future housing projects recognizing that this would require additional expense and staffing including the relocation of a 'property management' office. [Ideally having more and more individuals coming to the Shangri-La Lodge in search of housing may not be in the seniors' best interest.] Seniors remain at the heart of the Foundation. However, the possibility of new growth in the Foundation with a Seniors Housing division and a Community Housing division remains.

Realistically the Brazeau Seniors Foundation is the right agency to manage and operate new housing programs in the area that will address the current shortage. Managing 'market' housing will add another division to the Foundation, but is allowable within the legislation and will have taxation and additional bookkeeping requirements. Basically it would become a property management division directed by the Board of Directors. This would not affect the current Ministerial Order in affect for management of our Social Housing Programs. To operate 'market' housing there would be a Real Estate licensing requirement, which the Foundation could obtain, but there would be an ongoing expense including brokerage fees and education. If the Foundation is a 'title' property owner this requirement would not exist.

It should be noted that the programs/developments would have to be individually sustainable, with funding put aside to address future capital improvements and necessary renovations. Funding will be vital to its success; however, filling the current need for housing is equally vital to the area's growth and future success. However, risk assessments should also be part of the development, ensuring the Foundation and other contributors are not adversely affected, financially or by reputation. It would be ideal that necessary housing is only developed when 'others', including private developers, will not or cannot be part of the solution to our housing needs. As decisions are made and units are developed, consideration for a future sell-off may be beneficial. For example, the current housing crunch could in the future dissolve and it may be beneficial to sell to

avoid deficits or added upkeep and maintenance when the area no longer has demand. However, it is likely that some units would remain in demand.

Mixing housing appropriate for low and middle to higher incomes would also be beneficial ensuring no one area becomes a 'poverty row' for example and creating a 'problem' or less desirable area contributing to lowering housing values of those in the surrounding area.

Municipal Affairs have informed me that other communities have developed unique housing designed specifically for sharing accommodation, which are owned by one or more of the occupants. Examples included two master bedrooms with ensuites in a small two story home; dual parking and minimal yard work; that is, making it ideal for adult sharing opportunities. A variety of housing developments would be beneficial, which would encourage home ownership; thus enabling tenants to put down roots and minimize some of the transient population. Co-op housing with perimeters regarding income etc. plus ownership may also be an option. These adjoining units built together for families can create small safe community like atmosphere for young families and can be quite successful with joint 'play areas' and minimal yard work – often an open parking area. Creating practical living space which is affordable by making use of a smaller footprint is an ideal goal.

The Foundation looks forward to 'pulling' together to pursue a relationship that will ultimately provide the necessary housing program(s) that will address the needs of our Communities.

We look forward to hearing from you.

Sincerely,
BRAZEAU SENIORS FOUNDATION



Stella Keller,
Chief Administrative Officer

cc Board of Directors



REQUEST FOR PROPOSAL REGIONAL HOUSING MANAGEMENT PLAN

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Request for Proposal

Regional Housing Management Plan

1.0 *Introduction/Project Overview*

The County of Brazeau, the Town of Drayton Valley and the Village of Breton have come together in a joint initiative to determine the optimal mechanism to manage non-market affordable housing and entry-level and/or rental market housing as a means to address the housing crisis in the area. Our joint municipalities have determined that the creation of a management branch within the structure of the existing Brazeau Seniors Foundation, the management body for seniors housing in the area, is the manner in which to proceed. We are requesting the services of a qualified individual/firm to work with our administrative team in developing the terms, conditions, and functions of this management body.

The Proponent will guide the joint municipalities in making decision as it relates to items including, but not inclusive to the following:

- the governance structure;
- the supporting legislation;
- the authority's roles and responsibilities;
- accountability measures and reporting mechanisms;
- proposed annual operating budget;
- terms surrounding transfer of lands and/or structures to the management body/housing authority from the municipalities and/or other bodies;
- required information necessary to submit an application to the Province's anticipated loan program; and
- structure of the levies granted to the housing authority from the three municipalities.

2.0 Background

In May 2013, Brazeau County and the Town of Drayton Valley administration presented a report for approval to joint Municipal Councils that would see both work together on a plan to resolve housing and accommodation challenges in both Drayton Valley and Brazeau County.

The first step in this process was to appoint an ad-hoc Joint Housing Committee comprised of County and Town Council members and respective administrations. Over the next several months, a consultant was hired to work with the committee to gather both primary and secondary research through focus groups with key stakeholders and Statistics Canada. These findings were then used as the basis to prepare a Housing Condition Index report, which was released to the public upon completion in late 2013.

Nineteen short term action items (1-3 years), fifteen medium term action items (3-5 years) and three long-term (5-10 years) action items were contained within the following goals for affordable housing development in the region:

Goal 1

Make better use of existing affordable housing assets and resources.

Goal 2

Encourage the development of new affordable housing.

Goal 3

Build additional community capacity to promote affordable housing.

Goal 4

Help people help themselves.

Goal 5

Increase the supply of affordable housing for seasonal and temporary contract workers.

Goal 6

Increase the supply of affordable housing for modest income renters and first time home buyers.

Goal 7

Increase the supply of affordable housing for low income renters.

Goal 8

Increase the supply of affordable housing for seniors and persons with special needs.

Currently, Drayton Valley and Brazeau County are at different levels when it comes to implementing housing units. Drayton Valley has been involved with developing housing for many years and currently has land shovel-ready for development.

Brazeau County is in its early stages and is focusing on four short-term action items to best move forward in an efficient and effective manner regarding affordable housing. The first and foremost action item is aligning the current Land-Use Bylaw (LUB), area structure plans and any future growth plans with the housing goals outlined above.

In early 2014, with the housing index update report completed, it was determined that the mandate set by the Joint Housing committee was fulfilled. A new mandate was struck to see the formation of a management body to oversee the implementation of recommendations from the report. At that time, it was decided to invite the Village of Breton moving forward.

Today, the Joint Housing Committee includes Council members and Administration from the County of Brazeau, the Town of Drayton Valley and the Village of Breton.

3.0 Project Terms of Reference

The County of Brazeau, the Town of Drayton Valley and the Village of Breton seek proposals from interested individuals/firms to assist the joint municipalities in developing the terms for a housing management body.

Terms of Reference/Project Expectations

At minimum, the expectation for deliverables includes:

- Review the recent Housing Condition Index Update 2013 to ensure a clear understanding of the current housing landscape and proposed needs identified.
- Identify the roles and responsibilities of a housing management body as it relates to non-market and market housing in Brazeau County, Drayton Valley and the Village of Breton.
- Guide the Municipalities on their role and responsibilities as it relates to funding and supporting a housing management body.
- Research and recommend a model for governance, outlining the relationship of the Brazeau Seniors' Foundation and the three municipalities.
- Prepare necessary information required for the anticipated loan program application to Municipal Affairs.
- Prepare a recommended operating budget to cover all expenses associated with the housing management body.
- Outline the levy schedule from each municipality to support the management body's operations.
- Prepare the terms and conditions for the transfer of any lands and/or buildings to the management body from each of the municipalities and/or other bodies.
- Prepare a schedule of actions to be undertaken to develop the management body.
- Present the Housing Management Plan to Joint Councils.

4.0 *Joint Municipal Project Responsibilities*

The County of Brazeau, the Town of Drayton Valley and the Village of Breton will be responsible to provide consultants with any historical information, key stakeholder introductions or any other primary or secondary research that may be helpful in the completion of this project.

5.0 Project Budget

The overall budget of this project shall include all consulting fees, expenses, sub-contractor fees, travel rates and GST.

6.0 Proposal Content

All proposals must follow the format outlined below, and all of the requested information must be received by October 15, 2014. Proposals received after the deadline will be automatically disqualified from consideration. Responses to the Request for Proposal must be concise, accurate and presented in a professional manner.

All proposals must contain the following sections:

1. Cover Letter – Please include name, address, telephone number, email and signature of person authorized to commit the consultant/consulting firm to the terms specified in the proposal.
2. Summary of Qualifications – Please provide a description of your project capabilities, experience, team profiles, along with an outline of responsibilities for this project. Provide details of proven success stories. Describe overall approach to client communications, project management and budget tracking.
3. Past Project Assignments – Please submit samples of work related to successful plan development as it relates to establishing a regional housing management body.
4. References – Please provide three client references (with current contact information) for which the consultant/consulting firm has produced successful plan development as it relates to establishing a regional housing management body.

5. Timeline for Completion – outline of work plan with delivery dates for each project milestone.

6. Fee Structure – The fee schedule must demonstrate fees for professional services and any other services the bidder may deem appropriate.

7.0 Evaluation Criteria

Proposals will be evaluated for their adherence to, interpretation of and response to the issues as set out in this document. The following established criteria will be used:

- Team organization and strength;
- Expertise and experience related to formation of housing management bodies;
- Experience in research, cost analysis, and business plan development;
- Presentation of proposed methodologies and processes to achieve goals;
- Clear identification of services included;
- Identification of major issues, challenges and risks associated with the deliverables;
- Demonstrated budget breakdowns for time and effort for each deliverable;
- Consultant’s innovation in its approach to the project including any recommended alternatives, efficiencies and originality;
- Proposal conveys the consulting team’s intent in a clear and concise manner;
- Includes project schedule, milestones, delivery dates, progress meetings and critical dates for decisions; and
- Cost allocations and controls within the stated budget.

8.0 Proposal Submission

Proposals should include the name and contact information of the person(s) to be contacted for any clarification on proposal submission. Four hard copies and one

electronic version (PDF) of the consultant's proposal must be received no later than 4 pm on September 24, 2014 at the following address:

Brazeau County

Rick Ennis

Director of Community Services

7401 TWP Road 494

Box 77

Drayton Valley, Alberta

T7A 1R1

Tel: 780-542-7777

Email: rennis@brazeau.ab.ca

or

Town of Drayton Valley

Annette Driessen

Director of Community Services

5120 - 52 Street

Box 6837

Drayton Valley, Alberta

T7A 1A1

Tel: 780-514-2232

Email: community@draytonvalley.ca

Proposal Timeline

The timeline for the RFP process is as follows:

- RFP issued to vendors - September 9, 2014
- RFP closes – September 24, 2014
- Presentations (if applicable) – September 29 to October 3, 2014
- Completion of evaluation process and award – October 9, 2014
- Completion of Contract Services – December 19, 2014

Acceptance and rejection of proposals

Notwithstanding any other provision in the Proposal documents, the joint municipalities have at its sole discretion, the right to:

- Accept any proposal;
- Reject any proposal;
- Reject all proposals;
- Accept a proposal which is not the lowest priced proposal;
- Accept a proposal that deviates from the requirements, specifications or the conditions specified in this RFP;
- Reject a Proposal even if it is the only proposal received;
- Accept all or any part of a proposal; and
- Split the services between one or more proponents.

All Proposals shall be irrevocable and remain open for acceptance for at least one hundred and twenty (120) days after the closing time, whether or not another proposal has been accepted.

The successful bidder will be notified by telephone and in writing of project award and will be requested to submit a signed Letter of Agreement.

Submission of a response to this Request for Proposal does not bind the County of Brazeau, the Town of Drayton Valley or the Village of Breton to engage the

consultant to provide the requested service. The joint municipalities reserve the right to reject any and all proposals, accept any proposal terms it deems to be in the best interest of said organizations, waives any informalities in proposals submitted, and waive any minor irregularities or discrepancies in proposal procedures. The County of Brazeau, the Town of Drayton Valley and the Village of Breton reserves the right to retain a copy of your submission after selection has been made. The consultant is solely responsible for the costs incurred in submitting a response to the Request for Proposal. Proposals received after the closing date will not be considered.