

REQUEST FOR PROPOSAL

PROPOSAL: **Drumheller Housing Strategy**

DATE: **March 1, 2022**

INITIATOR: **Reg Johnston, Manager of Economic Development**

DATE PROPOSAL REQUIRED:

YEAR: **2022** MONTH: **March** DAY: **22** TIME: **2:00 PM Local Time**

Submit Proposal in a clearly marked and sealed envelope to the attention of:

Procurement Department:
Town of Drumheller
224 Centre Street
Drumheller, Alberta T0J0Y4

"RFP - Drumheller Housing Strategy"

This Request for Proposal document is comprised of:

- RFP General Instructions
- Schedule A – Evaluation Criteria
- Schedule B – Technical Specifications

If you do not have all of these components the RFP package is incomplete - please contact the Initiator.

The Town of Drumheller will NOT accept electronic submissions.

Your firm is invited to submit a Proposal, pursuant to the general conditions for the scope of work as described. This Proposal shall not be considered authorization to proceed with work herein described. All Procurement processes must comply with Town of Drumheller Purchasing Policy C-09-20.

SECTION #1 - SCOPE OF WORK:

The Town of Drumheller invites Proposals for consulting services to complete a Drumheller Housing Strategy. The purpose of the project is to assess and position the Drumheller residential real estate market for future development. The work includes clear identification of challenges, resources and solutions required to produce an action plan. Please review Schedule B – Technical Specifications for additional details.

The supplier is required to complete all necessary sections of this Request for Proposal.

Alternative methodologies or equipment will only be evaluated if submitted by the successful Proposer, no other work alternatives will be reviewed.

SECTION #2 - PROPOSAL AMOUNT:

All Proposals must be in Canadian Funds, excluding GST.

Total Cost \$ _____

Proposal submission price in effect for **[30]** days from date of acceptance from the Town of Drumheller.

SECTION #3 - SUBMISSION REQUIREMENTS:

The Town of Drumheller requires that all submissions shall include the following:

1. All pages of this Request for Proposal;
2. All issued Addenda;
3. Workers Compensation Board (WCB) Coverage Letter;
4. Proof of Commercial Liability Insurance;
5. Town of Drumheller Business License – to be obtained within three (3) business days upon award of project.

SECTION #4 - INELIGIBILITY:

The Town of Drumheller shall deem a submission to be ineligible under the following situations:

- a) Submissions that are unsigned, incomplete, improperly signed or sealed, conditional, illegible, obscure, contain arithmetical errors, erasures, alterations or irregularities of any kind shall be considered ineligible.
- b) Submissions that do not include the items listed in Section #3 Submission Requirements, and;
- c) Submissions that are not received prior to the closing date and time, as determined by the time keeping of the Town of Drumheller computer system.

SECTION #5 - INSURANCE AND BONDING:

Insurance

The Town of Drumheller requires that all Proposals include proof of \$5,000,000.00 Commercial Liability Insurance.

SECTION #6 - EVALUATION CRITERIA:

The lowest, or any evaluated Proposal, may not necessarily be accepted. The Town of Drumheller reserves the right to reject any or all Proposals or to accept the Proposal evaluated to be in the best interest of the Town of Drumheller.

The Town's evaluator shall score each submission on the basis stated in Schedule A: Evaluation Criteria. The Town of Drumheller will have the sole and unfettered discretion to award up to the maximum number of points for each criterion listed in Schedule A: Evaluation Criteria. By submitting a Proposal, you acknowledge and agree to waive any right to contest through legal proceedings. The decision to award points in respect to the criteria noted below will be at the sole discretion of the Town of Drumheller.

By submitting a Proposal, you acknowledge that you have reviewed the Ineligibility Criteria contained herein and you confirm that your Proposal meets all requirements of *the Town*.

SECTION #7 – REFERENCES:

Reference #1

Company Name: _____

Contact Name: _____

Contact Title: _____

Contact Phone Number: _____

Contact Email: _____

Reference #2

Company Name: _____

Contact Name: _____

Contact Title: _____

Contact Phone Number: _____

Contact Email: _____

Reference #3

Company Name: _____

Contact Name: _____

Contact Title: _____

Contact Phone Number: _____

Contact Email: _____

SECTION #8 - INTENT:

The undersigned contractor hereby provides a Proposal to supply the services as described herein in its entirety for the cost as described in Section 2.

COMPANY: _____

Print name of authorized personnel: _____

Signature: _____ Corporate Seal: _____

Email Address: _____

Telephone number: _____

TOWN OF DRUMHELLER:

Print name of authorized personnel: | _____ |

Signature: | _____ |

DATE: YEAR [2022] MONTH [] DAY []

Upon completion of signatures above, this document will represent a contract agreement between the contractor and the Town of Drumheller.

SCHEDULE A – EVALUATION CRITERIA

Section A.1 – Evaluation Criteria Breakdown:

EVALUATION BASED ON:	100%
Cost	50%
References	15%
Safety	5%
Qualifications	15%
Specification	15%

Section A.2 – Evaluation Criteria Definitions:

Cost: 50%

Full scoring for cost shall be given to the lowest Total Project Cost value submission. A score of zero (0) shall be given to the highest Total Project Cost value submission. All other submissions shall be awarded a pro-rated value between these two amounts.

References: 15%

The scoring for references shall be based on number of references and quality of references. Scoring shall be assigned as follows:

- 0 references – 0% of score;
- 1 reference – 15% of the score;
- 2 references – 20% of the score, and;
- 3 or more references – 50% of the score.

The remaining 50% of the score shall be based on the quality of the reference as determined by the evaluator(s).

Safety: 5%

Submissions including Certificate of Recognition (COR) or Small Employer Certificate of Recognition (SECOR) issued by Alberta Government shall receive the 50% of the score. Submissions that do not include either a COR or SECOR will be deemed ineligible as per Section #5 – Ineligibility. The evaluator shall award

the remaining 50% of the score for this category based on review of the supplied list of applicable Safe Work Procedures, and Table of Contents of the Corporate Safety Manual.

Qualifications: 15%

The Town of Drumheller will evaluate submissions on the basis of proof to provide the work to expected industry standard levels of performance. The Town evaluator(s) shall review all submissions for qualification on the basis of:

1. Past work performance with the Town;
2. Proof of task and scope of work appropriate worker qualifications (tradespersons tickets, proof of certification from manufacturer, etc.), and;
3. Proof of work procedures and quality control and assurance programs.

Specifications: 15%

The Town of Drumheller shall evaluate the submission to confirm that the Proposal represents a clear understanding of the performance and technical requirements.

SCHEDULE B – TECHNICAL SPECIFICATIONS

INTRODUCTION

Few regions of Canada are as unique as Drumheller. The Drumheller Valley spans thirty kilometres along the Red Deer River, and includes seven urban and rural communities:

- Nacmine;
- Drumheller;
- Rosedale;
- Wayne;
- Cambria;
- Lehigh;
- East Coulee.

This presents both opportunities and challenges in planning, servicing and protecting the area. Drumheller Town Council passed the new Municipal Development Plan (MDP) and Land Use Bylaw (LUB) circa December 2020. These documents accelerate the development process within the area.

In addition to Drumheller's wealth of tourism resources, the Valley is also accentuated by filming opportunities, a diverse economy, an active downtown, ranching and agriculture surroundings, cultural activities, and aboriginal themes – all of which contribute to the complexity of the housing market.

The Housing Continuum¹ is useful to context the discussion:

- Emergency Shelters;
- Transitional Housing;
- Social Housing;
- Affordable Rental Housing;
- Affordable Home Ownership;
- Rental Housing;
- Home Ownership.

Council and Administration have prioritized the development of a housing strategy. There are three areas of interest:

- Inventory mix;
- Rental unit availability;
- Affordability.

¹ Tim Wake, January 2010, *A Guide for Canadian Municipalities for the Development of a Housing Action Plan*, < <https://assets.cmhc-schl.gc.ca/sf/project/cmhc/pdfs/content/en/housing-action-plans-guide-for-municipalities.pdf?rev=fe8227ea-124d-415e-857e-45128a78f0ff>>, January 5, 2022.

Included in the above context are the market impacts of short-term rentals (e.g. Air BnB, VRBO). As many as fifty local properties are rented out on a short-term basis for the visitor market, thus leaving them unavailable for the long-term rental market.

INVENTORY MIX

There is a gap in product inventory that is an issue with attracting new residents to the Drumheller Valley. It can be described as newer starter homes. A review of MLS.ca on January 5, 2022 yielded fifty-eight residential listings (not including lots available for building). Of the fifty-eight listings, five were priced at \$250,000 to \$300,000 (less than 10%). The majority (60%) of the listings are older and smaller homes under the \$250,000. Based on the 2016 Canadian Census, of the 3,170 households in Drumheller, 2410 (76%)² were constructed before 1990. Homes above \$300,000 are typically large in square footage.

RENTAL UNIT AVAILABILITY

A Kijiji.ca survey for rental units in the Drumheller area was completed on January 5, 2022 and yielded three results. Many potential residents choose not to own, or cannot afford ownership – but the rental selection in the Drumheller Valley is limited.

AFFORDABILITY

Based on the 2016 Canadian Census, of the 3,170 households in Drumheller, 830 (26%)³ have a household income less than \$40,000. Additionally, 1,390 (17%) people of 7,970 in Drumheller are over the age of 65. Since 2016, the local economy was impacted by a downward trend in the Energy Sector and COVID-19 - both emphasizing the issue of affordability.

The above review lends itself to conclude that there are opportunities to explore improvement in the housing market within the Drumheller Valley. Clearly identification of challenges, resources and solutions is required to produce an action plan. To that end, the Town of Drumheller invites proposals for the development of a Housing Strategy.

GEOGRAPHIC REGION

The boundaries of the Drumheller Valley are the areas of focus for the study. A survey of workers at the Correctional Services of Canada Drumheller Institution and Alberta Health Services was completed in 2020. There were many people identified that work in Drumheller but live in communities like Airdrie and Calgary. Other markets that will influence the area include:

- Stettler;
- Oyen;

² Source: <https://townfolio.co/ab/drumheller/demographics>.

³ Source: <https://townfolio.co/ab/drumheller/demographics>.

- Hanna;
- Carbon;
- Starland County;
- Kneehill County;
- Special Area No. 2.

STUDY PURPOSE

The purpose of the project is to assess and position the Drumheller residential real estate market for future development. This includes the subjects of:

- Inventory mix;
- Rental unit availability;
- Affordability;
- Short-term rentals;
- Identification of demand (for product mix, urban, rural, etc.).

The outcome of the work is a plan that will provide the next steps for residential development. Questions to be considered are:

1. Where Town of Drumheller and private development can occur next?
2. What else is needed to trigger residential development?
3. Why are there gaps within the market?

SCOPE OF WORK

The approach will include the following activities:

1. Identify housing stakeholders within the community;
2. Complete a vision for housing;
3. Confirm needs and demand (identify data sources and complete forecast);
4. Prepare an overview document that identifies approaches working in similar communities (review a minimum three communities);
5. Identify sites with housing potential;
6. Provide information to assist with the attraction of developers (i.e. help form partnerships);
7. Identify potential barriers;
8. Review incentive and development policies;
9. Identify funding sources;
10. Identify roles for stakeholders;
11. Document a Housing Strategy and Development Plan.

The consultant will use the results from the research and planning components of the assignment to keep the Town of Drumheller well informed during the progress of the project. These draft materials will be submitted to the Town of Drumheller for review and approval prior to submission of the final report.

CONTRACT ADMINISTRATION

The Town of Drumheller will be the contract administrator. The Working Group will review and approve draft materials.

MEETINGS

Startup and Report Meetings proposed by the consultant, as a part of the project, will be held in the Drumheller region if possible. Meetings for status on a higher frequency may take place online. Below is a minimum suggested level of communication with respect to reporting during the project:

- Startup;
- Bi-weekly Status;
- Interim Report – Presentation;
- Final Report – Internal Presentation;
- Stakeholder Review and Feedback Presentation (x2).

PROFESSIONAL RESPONSIBILITY

The consultant shall comply with generally accepted standards for similar consulting work.

PRODUCT

The consultant will make a final presentation to representatives of the Town of Drumheller based on the deliverables. Materials used in the final presentation, background materials and data from the forecast will form the final product to be provided to the Town of Drumheller.

SCHEDULING AND TERMS OF PAYMENT

All work associated with this contract must be completed, with the final products submitted no later than June 15, 2022.

An upset limit of \$75,000 is available for services provided in accordance with completion of this contract. Billing should indicate personnel, number of hours, hourly rates and expenses.

All payments will be predicated on acceptance of interim, and/or final products.

COST CONTROL

If, at any point during the progress of the work, the consultant considers that the stipulated upset cost figure will be exceeded either by unforeseen circumstances or changes in the Terms of Reference, the client shall immediately be supplied with complete details.

At no time shall the contract fee be exceeded without notifying and obtaining the client's written acceptance.

The Town of Drumheller reserves the right to reject any or all proposals submitted as a result of this Request for Proposals.