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City of Hamilton

REQUEST FOR QUALIFICATIONS

Contract Number: C14-02-17

**Request for Qualifications
 Development Opportunity Pier 8**

ADDENDUM 5

The following queries and responses, issued by the Procurement Section shall form part of the **Request for Qualification** documents for the above, and the revisions and additions noted herein and any attachments shall read in conjunction with all other documents. This Addendum shall, however, take precedence over all previously issued **Request for Qualification** documents where differences occur.

Included in this Addendum are: 7 Pages for Addendum 5

1.0 OPTIONAL SITE MEETING

Per Section 6.1.1 of the RFQ, the City held an optional site meeting for prospective Proponents on May 31, 2017. The questions and responses provided in Section 2.0 below are reflective of the questions received from, and responses provided to, attendees of the site meeting.

Furthermore, an electronic version of the slide show that was presented at the site meeting is available for viewing in the Electronic Data Room.

2.0 QUESTIONS AND RESPONSES

Question #6	Please elaborate on the justification of phasing (i.e., phases 1-3). What are the major opportunities or constraints that inform the City's phasing plan? Is there flexibility in working with the City to develop the phasing strategy?
City Response #6	While Section 6.4 of the <i>Pier 7 & 8 Urban Design Study</i> does indicate a hypothetical development phasing plan, the City has not committed to mandating this phasing plan. At this current time, please assume that phasing will be an aspect that Prequalified Proponents will be able to propose at their discretion at the RFP stage. Further direction may be given by the City at the RFP stage.

Question #7	Can you clarify the three buildings that are to be accounted for in Appendix D? The question relates to Phase 1 = 2 blocks & several buildings.
City Response #7	Section 7.7.4 of the RFQ and the associated Appendix D, are submission requirements that speak to the Proponents' current capacity to fund a hypothetical first phase of the development. The City has laid out the basic parameters of this hypothetical first phase (275 residential units comprising approx. 20,000 sq.m. GFA, \$95 million in total project capital, 48 month term). In order to fulfill the submission requirements for this section, Proponents are asked to make its own assumption as to how many different buildings this first phase will comprise, complete Schedule D accordingly, and provide lender letters verifying that the Proponent and its Core Team Members would be able to obtain financing to deliver this hypothetical first phase. For further clarity, the first phase is not required to comprise three buildings – the assumption may be fewer buildings, or more, at the Proponent's discretion.
Question #8	Does the RFQ evaluation criteria award additional points for a proposal that includes greater than 5% affordable housing? What type of affordable housing is being required by the City through this RFP? If affordable ownership with a second mortgage model, who is meant to hold/administer the second mortgages?
City Response #8	A motion passed by City Council on November 9, 2016 specified that the Pier 8 RFP must be devised to "...include a defined target of not less than five percent (5%) of affordable home-ownership units." However, at this time, the specifics regarding the scoring model for the RFP evaluation criteria have not yet been finalized, including provisions for exceeding the minimum affordable housing threshold. Further direction will be given to Prequalified Proponent at the time of releasing the RFP.
Question #9	Are templates from the RFQ required to be followed exactly? I.e., Does the Track Record Summary need to be used or can a large table be used to show all projects?
City Response #9	Where the City has provided templates, it is expected that the Prequalification Submission report requisite information using those templates. Failure to do so may result in a Prequalification Submission being deemed incomplete or non-compliant.
Question #10	Is Donna (Drozd) the person to submit the RFQ on June 30?
City Response #10	A Submission Label was included as Appendix A of the RFQ. Please use this label to direct the delivery of your Prequalification Submission to the City.
Question #11	Are you intending to share the list of attendees at today's meeting [Prospective Proponents' Optional Site Meeting held on May 31, 2017]?

City Response #11	Yes, but company names only. The Prospective Proponents' Optional Site Meeting held on May 31, 2017 was attended by representatives from the following companies (voluntary self-identified names, in alphabetical order): Daniels, Fengate, FS Construction Management, Great Gulf, Interrent REIT, LDI Consulting, MGP, Net6, New Horizon Development Group, Options For Homes, S2E, TAS, Tercot, Tridel, Trinity Development Group, Urban Capital.
Question #12	Is there any role for the Proponent in the design of the public spaces?
City Response #12	Please also refer to the City's response to Question #4 (Addendum 4). While the Successful Proponent will not be responsible for designing and executing the public spaces, it will be important to work alongside the City to ensure seamless interfaces between public and private realms. Furthermore, while design work is substantially underway for the Gateway Park and Waterfront Park (aka, Promenade Park), the Greenway corridor remains an exploratory element that could provide an opportunity for the Successful Proponent to influence the public open space network. Please see Section 4.1 of <u>Pier 7 & 8 Urban Design Study</u> for a key map of the public open spaces. Additional instructions will be given to Prequalified Proponents at the RFP stage.
Question #13	Is there any flexibility in the master planning?
City Response #13	Please refer to the City's response to Question #3 (Addendum 4)
Question #14	If you are a private company, are Notice-to-Reader financials acceptable?
City Response #14	The City has received a number of inquiries regarding potential concessions respecting the submission requirements related to the Financial Stability Evaluation (Section 7.7.2). In light of these inquiries, the City is deliberating with its consultants and internal staff to develop an alternate set of submission requirements and evaluation criteria that could accommodate companies without audited financial statements while still satisfying the City's due diligence requirements. Details of this alternate option will be announced as soon as possible, and may, at the City's discretion, result in an extension to the Submission Deadline. This prospective amendment to Section 7.7.2 will not affect any other portion of Section 7.7; as such, Proponents are encouraged to continue preparing Prequalification Submissions in accordance with all other requirements outlined in Section 7.7.
Question #15	Is there a possibility to adjust the zoning that is already in place to extend the retail space towards the waterfront and along Blocks 1-3 to take advantage of the waterfront views and activity?

City Response #15	The proposed zoning by-law amendment envisions that Blocks 1 and 2 will be designated a Multiple Residential Zone and Block 3 will be a Mixed Use zone. Notwithstanding the predominantly residential nature of Multiple Residential Zones, they do permit Live/Work Units that allow for certain commercial uses at ground floor. Furthermore, Setting Sail does permit some restaurants, cafes, and food and beverage vendors in the Open Space designated areas. The City, as owner and programmer of the Open Space, may coordinate with the Successful Proponent to explore synergistic opportunities to execute place-making strategies. Notwithstanding, Setting Sail and the Draft Plan of Subdivision envisions the majority of permitted retail to be located on the interior streets to serve as an extension of the Commercial Village that will be developed by the City on Piers 6-7.
Question #16	Is there any flexibility in block size / street layout?
City Response #16	The street layout and resulting development blocks are codified in the Draft Plan of Subdivision, which has been drafted in conformity with the Secondary Plan. As the City will be installing the right-of-way, open space, and municipal servicing networks in advance of the sale of the Subject Lands, the only adjustments to the layout pattern shall be at the City's discretion and primarily to accommodate technical requirements.
Question #17	What if heights may wish to be varied by block?
City Response #17	While heights may be varied by block, it is the expectation that the established height limitations be respected. Please refer to Table 2 of the RFQ for a summary of these height limitations.
Question #18	Will proposed phasing affect evaluation of overall plan?
City Response #18	Please refer to the City's response to Question #6 above
Question #19	Is there any flexibility in parking standards?
City Response #19	Requests for variances to the standard parking requirements may be brought forward for consideration on a site-by-site basis at the time of Site Plan Approval.
Question #20	Is there flexibility in common amenity / outdoor amenity area requirements?
City Response #20	At this time, there are no mandated requirements for common or outdoor amenity space to explicitly be provided by the developer. Further requirements may arise and be communicated during the RFP phase and/or negotiated as provisions to the Master Development Agreement.
Question #21	Is a large rental component a preferred aspect of development?
City Response #21	The City has not indicated any particular preference for tenure. Proposals that comprise rental, ownership, or a combination thereof will be considered equally.
Question #22	If a Proponent is a Joint Venture of multiple parties, please confirm if every one of those partners must be a Core Team Member, or not? I.e., if Proponent is a JV of companies A, B, and C, can only A and C be named as Core Team Members?

City Response #22	The City wishes to evaluate the strength of an entire joint venture partnership, not only select component parts. As such, Proponents that are organized as a joint venture partnership must name all members of the partnership as Core Team Members. Notwithstanding, in the case where a partner is solely a financial or operations partner (i.e., not directly involved in development), they may be precluded from being named a Core Team Member, but must still comply with Section 7.7.1(f) and 7.7.2(c) of the RFQ Submission Guidelines.
Question #23	The Investment estimate for public improvements in surrounding areas is \$140 million. You have indicated that approximately \$85 million has already been allocated and funded. What is the anticipated horizon for the remaining \$55 million allocation?
City Response #23	The remaining portions of the investment program are expected to be deployed from 2018 to 2024, subject to Council approving the release of funds according to the City's current, long-term capital budget.
Question #24	What construction methods has the City reviewed in terms of building on these lands? Will a geotechnical report be made available for review?
City Response #24	The City acknowledges that Pier 8 is an artificial land area, built on historical landfill, and subject to high water table issues. Any prospective construction will need to take these site conditions into consideration. The City is currently in receipt of a draft geotechnical assessment report. This report will be made available on the Electronic Data Room once it has been finalized to the satisfaction of the City.
Question #25	What happens to the timing of this process if an appeal is filed with the OMB [regarding the Draft Plan of Subdivision and Rezoning applications approved by Council on May 24]?
City Response #25	At the time of publication of this Addendum, the Draft Plan of Subdivision and Rezoning applications approved by Council on May 24, are potentially subject to an appeal to the Ontario Municipal Board. The City anticipates continuing with the current RFQ process, irrespective of appeals, as the process of identifying Prequalified Proponents is not contingent upon the status of the lands. Should an appeal(s) be filed in the coming weeks (deadline to file is June 20, 2017), the City will then assess the nature of the appeal and make a determination on how best to proceed with the RFP and subsequent transactional phases, and will provide appropriate instruction to the Prequalified Proponents. The City views the solicitation process and the land development applications as two processes that can advance concurrently, if not entirely independently, but can be managed through careful monitoring and appropriate communication.
Question #26	Is the City's plan prescriptive or are design changes/modifications welcome for review through this process?

City Response #26	The <u><i>Pier 7 & 8 Urban Design Study</i></u> has been adopted by Council to serve as the policy design guidelines for all development on Piers 7 and 8. The City believes that these guidelines, while reflective of a consistent vision, offer a fair amount of flexibility to accommodate creative design approaches. Furthermore, at the Site Plan Approval stage of each phase, individual site designs will be subject to critique by the City's Design Review Panel, which is a standard step for all Site Plan Approvals.
Question #27	Will we get input into the design of the Promenade Park?
City Response #27	The design of Pier 8's Promenade Park is being procured through a City-led design competition that will be assessed by a jury of design professionals selected from the private industry, public service, and academia sectors. At the time of publication of this Addendum, six design firms had already been shortlisted to participate in the competition and the City anticipates having the winning design selected prior to the commencement of the Development Opportunity RFP. The City's intent is to begin construction of the park in Spring 2018. As such, there will be limited opportunity for the Successful Proponent developer of the private lands to provide direct input into the park design. However, the public is welcome to provide input regarding the proposed designs which will be revealed in early-August; a formal public opinion survey will be made available for approximately 3 weeks. For more information regarding the design competition, please visit the City's project website at: https://www.hamilton.ca/city-initiatives/priority-projects/west-harbour-key-project-pier-8-promenade-park .
Question #28	Is the servicing being constructed to the needs of the development plan proposed? I.e., what if greater density or a modification of the plan is proposed?
City Response #28	It is the City's expectation that the density limits established in the City's planning policies will be adhered to in any future development at Pier 8. The planned services are being constructed to the City's current standard for new municipal services in urban districts, which will adequately serve the envisioned development.
Question #29	Is there a cap on retail and specifically a cap on individual retail uses (i.e., floor area)?
City Response #29	Within the Subject Lands, there is no floor area defined cap on individual retail uses. However, there are floor area allocation limits to commercial uses on a block-by-block basis. These can be found in Schedule F of the proposed Zoning By-law Amendment application: http://hamilton.siretechnologies.com/sirepub/agdocs.aspx?doctype=agenda&itemid=19632 Furthermore, building envelope restrictions within the zoning by-law may contribute to the buildable area allocated to retail. These may include restrictions on location (e.g., ground floor only), setbacks, ground floor façade widths, or orientation.
Question #30	Who are the local resident groups?

City Response #30	The formally organized resident groups that represent interests in the immediate area of Pier 8 include North End Neighbours (http://northendneighbours.blogspot.ca/) and Harbour West Neighbours (http://www.harbourwestneighbours.ca).
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END OF ADDENDUM 5

Proponents providing a signed Form of Qualification have made any necessary inquiries with respect to addenda issued by the City and have provided for all addenda in their Prequalification submission.

All addenda will be posted on the City's Biddingo.com bid portal at: biddingo.com/hamilton and on www.hamilton.ca/westharbour

Procurement Section, City of Hamilton, Ontario
(Revised: February 5, 2013)