



Property Development Opportunity

**WDC-1: Mixed Model Housing in
Downtown Dartmouth, Halifax
Regional Municipality**

25 January 2022

Submission Deadline: 28 March 2022 12:00PM AST

Submissions to:

wdc1@developns.ca



Land Acknowledgement

Develop Nova Scotia acknowledges that the land we are undertaking our revitalization efforts is in Mi'kma'ki - the unceded territory and ancestral homeland of the Mi'kmaq Nation. Our relationship is based on a series of Peace and Friendship Treaties between the Mi'kmaq Nations and the Crown, dating back to 1725. In Nova Scotia we recognize that We are All Treaty People.

Summary of Key Information

PDO Title: The title of this process is: **“WDC-1 PDO”**. Proponents shall use this title on all correspondence.

Enquiries: Enquiries regarding this Property Development Opportunity (PDO) shall be directed by email to wdc1@developns.ca no later than 14 March 2022, 12:00PM (noon) AST.

Proposal Submission Deadline: 28 March 2022, 12:00PM (noon) AST.

Proposal Delivery: The PDO response, the proposal, shall be submitted by the Proponent by email to wdc1@developns.ca. Please refer to Section 3.2 for submission details.

1. The Opportunity

Develop Nova Scotia is seeking potential partners to create mixed-model housing on a vacant property in Downtown Dartmouth (the “subject property”; PID 00108902). The subject property is a highly desirable development parcel with substantial as-of-right development potential, situated within Halifax’s Regional Centre, and near major employment areas and key transportation nodes.

This Property Development Opportunity (PDO) is meant to invite innovative responses from Proponents who can deliver long-lasting affordability through the development of a mixed-model, mixed-use building(s) on the subject lands. Proponents are expected to demonstrate:

- A collaborative and financially sustainable approach to mixed-model development;
- Commitment to delivering a mixed-model project that makes a significant and long-lasting contribution to housing affordability; and
- The ability to assemble a development team/partnership with the capacity to lead the design and development plan and schedule, including expertise from the market and non-market housing sector in areas of construction, operations, and administration.

Develop Nova Scotia routinely collaborates with community and private sector partners to reimagine and reinvest in places that matter and leverage public lands for public benefit. This PDO aims to leverage high value lands (the subject property) in return for tangible and lasting contributions to housing affordability, including the development or preservation of affordable housing units, scalable and replicable development models that include non-market/market partnerships, and the building of capacity and equity in the non-market housing sector.

To stimulate new ideas, approaches and partnerships, Develop Nova Scotia is not prescribing a specific program or framework for the development of the site. We encourage all interested parties to respond to the PDO in a manner that offers a viable and sustainable approach to development of mixed-model housing on the subject property based on their own expertise and experience.

The development process will be conducted in two stages. This first PDO stage will be used to evaluate interest, potential approaches, capacity, and experience. Invitations to participate in a second stage will be based on the responses to this PDO.



The definition of mixed-model development is broad, but generally refers to a “housing community intentionally designed with a mix of units that vary in affordability for households with a range in income levels ... where market housing is combined with affordable housing to promote financial viability and reduce economic isolation.”

(Source: Curley, Alexandra, Taryn Gress, and Sherise McKinney. “Canadian Mixed Model Development: A comparative analysis of ten sites.” Housing Partnership Canada (2020). https://www.housingpartnership.ca/s/CanadianMixedModelDevelopmentComparativeAnalysis_FinalReport_0129.pdf)

1.1 Strategic Alignment

Develop Nova Scotia's mandate is to lead the sustainable development of high-potential property and infrastructure to drive inclusive economic growth in Nova Scotia. At the centre of this work is the role of place in attracting people, and this principle of placemaking ensures that the planning, development and management of land and infrastructure is achieved with and for people. While provision of housing itself is not the mandate of Develop Nova Scotia, access to housing that is affordable is essential to our overall success in creating places that attract and retain people and contribute to the overall quality of life in Nova Scotia.

The Province of Nova Scotia is committed to the implementation of recommendations of the 2021 Affordable Housing Report, Charting a new course for affordable housing in Nova Scotia. Relevant objectives include:

- Building capacity in the community housing sector;
- Diversifying supply with accessible, dense, multi-family, mixed model options;
- Trying new, alternative, and flexible financing mechanisms to incentivize landlords to build long-term rental housing;
- Collaborating across government, non-profit, and businesses; and
- Learning from the successes of other jurisdictions.

1.2 Guiding Principles

The following principles shall guide Proponents in preparing a response to this PDO:

- **A clear purpose:** Support the creation and long-term preservation of affordable housing through the long-term lease or sale of the subject property.
- **Address an affordability gap:** Develop Nova Scotia has identified a specific need to preserve or create affordable, moderate-income housing for people ineligible for social housing yet are increasingly priced out of the market (refer to page 5 for additional information).
- **Contribute to long-term affordability:** Public benefit derived from a sale or lease of lands should result in long-term benefits in terms of affordability and/or building of capacity and/or equity for non-market housing providers.

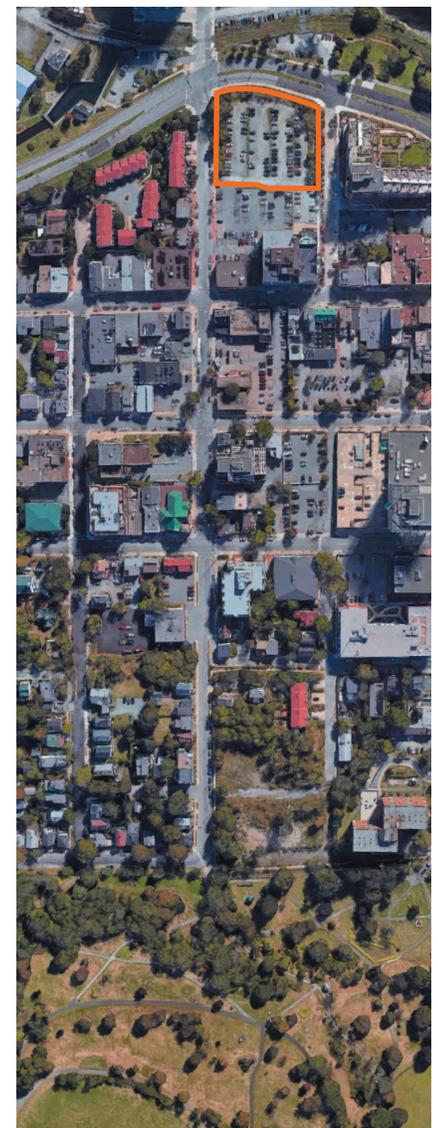


While provision of housing itself is not the mandate of Develop Nova Scotia, access to housing that is affordable is essential to our overall success in creating places that attract and retain people and contribute to the overall quality of life in Nova Scotia.

- **Support mixed-model development:** Mixed model development is a housing community intentionally designed with a mix of units that vary in affordability for households with a range of income levels. Mixed model includes mixed-income, mixed-tenure, and mixed-use development.
- **Maximize land value:** The value of public benefit proposed should reflect the market value of the subject property and any proposed discounts to lease rate or sale price.
- **Scalable and replicable:** Does the approach to design, development and operation proposed offer lessons in respect to partnerships between market, non-market providers and public agencies?
- **Build strategic partnerships:** The approach should aim to create or enhance relationships and partnerships that last beyond the initial project. It should encourage increased involvement and structured partnerships with non-market housing providers in the development, operation and maintenance of affordable and non-market housing and support and incentivize private sector involvement in the construction of affordable housing.
- **Leverage Available Funding Sources:** In addition to the value of the subject property, approaches to development should consider other support and funding programs available through all levels of government, such as CMHC's Seed Funding, National Housing Co-Investment Fund, and Rental Construction Financing Initiative.



Through this two stage process, Develop Nova Scotia aims to leverage the value of the subject property in exchange for tangible public benefit.



1.3 Desired Outcomes

Through this two stage process, Develop Nova Scotia aims to leverage the value of the subject property in exchange for tangible public benefit. This includes:

- **The preservation and/or creation of affordable and/or moderate-income housing:** Targeting affordable housing to moderate-income households remains an important piece of the housing spectrum where, under current conditions, the market alone is failing to address. Moderate income housing targets households that are ineligible for social housing yet are increasingly priced out of the rental market. Moderate income housing is generally defined as housing that cost no more than 30% of gross income for households earning anywhere between 60 and 100% of Area Median Income (AMI); the most recent National Household Survey (2016) lists Median Household Income for HRM as \$69,452. Please note that while this is a suggested definition and measure of affordability, others may be considered based on the expertise of the sector.

- **Capacity and equity building in the non-profit/non-market housing sector:** The non-profit sector is well suited to manage affordable units but may lack the equity to finance new projects and experience to build them at a larger scale. They may also be consumed with the challenge of maintaining older buildings with limited resources and challenged by limited access to financing. A private/non-profit partnership approach can help to build capacity in both market and non-market housing sectors. Given the size and density permitted on the site, Develop Nova Scotia encourages responses that result in non-market ownership of a portion of units and/or buildings on the subject property to assist in equity building with community partners.
- **Incentivizing the private sector to participate in the creation of affordable housing:** The private sector has the capacity to take on a project of this scale, but may avoid affordable housing projects over real and perceived risk in all stages of development. This open PDO approach is meant to help incentivize the private sector by letting them develop their development strategy based on their expertise and experience and in collaboration with non-market experts and partners, subject to conditions and targets set out in this PDO.



The PDO process aims to address some of the gaps in standard procurement processes and encourage participation and partnerships between market, non-market, and community experts in the provision of housing, from construction through to operation and maintenance.

1.4 Eligibility to Participate

The PDO process aims to address some of the gaps in standard procurement processes and encourage participation and partnerships between market, non-market, and community experts in the provision of housing, from construction through to operation and maintenance.

Eligible proponents include, but are not limited to the following groups:

- Indigenous governments and organizations, including First Nation Bands and Tribal Councils;
- Community housing organizations;
- Non-profit organizations or registered charities;
- Co-operative housing organizations;
- Commercial real estate developers; and
- Property management companies.

Partnerships and/or joint ventures are strongly encouraged and responses that include community non-profit and/or non-market housing sector partners will be prioritized.

1.5 Roles and Responsibilities of Develop Nova Scotia and Partners

Develop Nova Scotia is the owner of the subject lands. We recognize the market value of the subject property and anticipate discounting the cost of land – through a sale or long-term lease or other form of agreement – in exchange for tangible public benefit in the form of affordable housing.

Develop Nova Scotia does not have formal partnerships with other government agencies in this initial phase, but we encourage Proponents to consider all available financial support initiatives when preparing responses.

1.6 PDO Process

This PDO is an open invitation from Develop Nova Scotia to housing developers, service providers and other community organizations to submit responses that identify innovative approaches, partnerships, and present relevant experience, capacity, and expertise necessary for the development of the subject property. This PDO is Stage One of a two stage process and is open to all interested parties.

Develop Nova Scotia intends to evaluate the information it receives, based on the guidelines, mandatory criteria and requirements listed within this PDO, and select a small number of qualified Proponents to participate in a Stage Two process. The Shortlisted proponents will be asked to prepare and submit a detailed development strategy, conceptual design and financial and legal proposals to Develop Nova Scotia. An honorarium may be provided to each Shortlisted Proponent Team that submits a compliant proposal in response to the Stage Two process to compensate for some of the expenses incurred by developing a detailed development and management plan. The Stage Two process and requirements will be more fully described in a subsequent document issued to Shortlisted Proponents.

Develop Nova Scotia intends to evaluate the Stage Two submissions to select a single Preferred Proponent with whom to enter into agreements for the subject property. Please note that any sale or lease of the subject property may require approval from the Province of Nova Scotia.



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2. Property Details

The subject property (PID 00108902) is in Downtown Dartmouth, adjacent to the Portland Street commercial area and near to the Alderney Ferry Terminal and other transit routes (Appendix A). It is a modified square of approximately 57,850 square feet (5,375 square metres). It has frontage on 3 streets (Alderney Drive, King Street and Prince Street), for a combined +/- 695 feet (212 metres) of public street frontage. An access easement exists along a portion of the internal lot boundary, beginning at Prince Street. Please refer to survey plan for more details (Appendix B).

The property is currently used as a paid surface parking lot. The site is general flat on the surface, but there is a notable grade change at Alderney Drive. Previous geotechnical field work shows 0.2 to 3.0 metre depth to bedrock across the site. Phase 1 and Phase 2 Environmental Site Assessments confirm presence of metals and PAHs. The Alderney Drive frontage consists primarily of exposed bedrock, which is likely to include acid generating rock. The subject property has access to municipal services and utilities. The subject property is recognized for elevated archaeological potential, based on the findings of an Archaeological Resource Impact Assessment. For more information on available studies and report, please refer to Section 2.2 - Available Studies and Reports.

For more information on municipal land-use rights and requirements affecting the subject property, please visit the Community Planning section on Halifax.ca or use this direct link

- <https://www.halifax.ca/about-halifax/regional-community-planning/community-plan-areas/regional-centre-plan-area>

2.1 Municipal Planning Designation and Zoning

The subject property is located with Halifax Regional Municipality's Regional Centre. It is within the Downtown Dartmouth Special Area and has substantial as-of-right development permissions.

Plan Area	Regional Centre
Generalized Future Land Use Designation	D (Downtown)
Special Area Designation	Downtown Dartmouth
Precinct	Alderney and Central Waterfront
Zone	D (Downtown)
Floor Area Ratio Maximum	8
Height Maximum	90m
Street Setback - Minimum	1.5m on Alderney; 0.5 on Prince and King
Street Setback - Maximum	3m on Alderney; 1.5 on Prince and King
Bonus Rate District	Downtown and Central Dartmouth
View Corridors	View Corridors along King and Prince Street
Permitted Uses	Zone permits a wide range of land uses, including residential, commercial, institutional, cultural, park and community facility
Parking Requirements	Motor vehicle parking is not required

Proponents are expected to consider municipal land-use policies and regulations in the preparation of responses to the PDO. If PDO responses are based on required and assumed variations to the lands use bylaw, these must be identified, and rationale provided. Please note that the information provided in the table above is not exhaustive of all requirements.

2.2 Available Studies and Reports

The following documents provide information on the subject property:

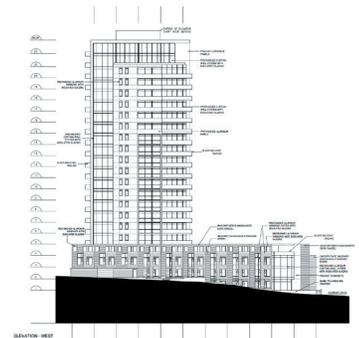
- Appendix A - Site Overview
- Appendix B - Property Survey Plan, Frank Longstaff Surveying, 1981
- Appendix C - Test Pit Investigation Report, Jacques Whitford, 1995
- Appendix D - Phase 2 Environmental Site Assessment, Jacques Whitford, 2003
- Appendix E - Archaeological Resource Impact Assessment 2010
- Appendix F - Previous Concept Drawings, Lydon Lynch, 2012

All supporting documents can be found at www.developns.ca/projects/wdc1.

Please note: studies referenced above are for information only. Report sections that deal with issues of policy and regulatory context, concept drawings, and expressed intentions for future land use may be out-of-date and do not necessarily reflect the current development rights that exist or the development intentions of Develop Nova Scotia at this time. The principles, goals and objectives and mandatory criteria outlined in this PDO should be used as the primary guide in the preparation of a response submission.

2.3 Program and Design Considerations

The resulting development will be primarily residential, with community, cultural, commercial or small-scale production space in accordance with the objectives of the Proponent Team and the uses permitted in the land-use bylaw. The site can be developed as one lot with one building or accommodate multiple buildings through an innovative approach to design, subdivision and ownership. In an effort to maximize the public benefit derived from the value of the land within a short time period, Develop Nova Scotia may also consider land swap options that result in the preservation of existing older stock buildings in Halifax containing affordable units.



Site and surrounding context with property highlighted (top) and 2012 concept (for reference only; see Appendix F).

3. WDC-1 PDO - Stage One

For Stage One, Proponents are not expected to provide details of a complete architectural project. Instead, Proponents are expected to offer statements – through text, drawings and images – about their understanding and potential of a mixed-model project on the subject property, ideas on the programming at the scale of both the site and building(s), and an innovative structure or framework that will enable a qualified team to design, build, operate, and manage affordable housing in a sustainable manner.

3.1 Mandatory Criteria

Develop Nova Scotia is purposely avoiding prescriptive program targets for the site, instead relying on the expertise of the non-market housing and private development sectors and housing service providers. However, responses should consider the Guiding Principles and Desired Outcomes outlined in Section 1. More specifically, responses should address the following themes:

- **Target Affordability:** This should include details on targeted (1) level of affordability; (2) percentage of total unit yield; and length of term (if applicable) on the subject property.
- **Ownership and Management Model:** Are affordable units and/or building(s) operated and/or owned by a market or non-market providers? Given the size of the site and permitted Floor Area Ratio, subdivision and/or strata ownership options across the property should be considered.
- **Accessibility:** Accessible units are required in new multiunit development, but Proponents are encouraged to exceed both minimum accessibility standards, as well as total number of accessible units constructed.
- **Energy Efficiency:** Energy efficiency relates both to reducing greenhouse gas emissions, as well as reducing energy costs for and operational costs of affordable housing units. Proponents are encouraged to consider net-zero performance targets.
- **Inclusion and Participation:** Places designed for everyone are best designed with everyone. Proponents should explain their approach to community engagement in all stages of work and are encouraged to identify any inclusionary efforts proposed during construction (e.g. apprenticeship programs, hiring practices, etc), and in respect to potential community or supportive uses in the building.

- **Financial Support and Viability:** Proponents are encouraged to outline proposed approach to financing and identify specific mechanisms that support or are conditions to their overall approach to development or viability of the project.
- **Real Estate Development Experience:** Given the size and permitted gross buildable area achievable on the subject property, it is important that Proponents demonstrate team experience in design and construction of projects of similar scale.
- **Target Completion Date:** Develop Nova Scotia seeks responses that demonstrate commitment and capacity to derive or deliver a project and affordable housing benefit in a timely manner.
- **Other On-site or Off-site Benefits:** It is preferable to demonstrate benefit to housing affordability on the subject property. However, Develop Nova Scotia is willing to consider alternative ideas that offer a clear and tangible contribution to housing affordability. For example, this may include the transfer of ownership of an existing building(s) to a non-market housing provider to preserve existing affordable housing stock. Responses must clearly demonstrate value and agreement of the landowner when proposing any off-site benefit.

3.2 Submission Requirements

Respondents can present their submission in the form and format of their choice. **Responses must be submitted as a PDF to wdc1@developns.ca on or before March 28, 2022 at 12:00PM AST.**

Submissions should be clear and concise in addressing the Mandatory Criteria (Section 3.1). Submissions will be evaluated on the following:

(a) Vision for Mixed-Model Development on the Subject Property (40% of overall score): Respondents should provide an overall summary of their proposed strategy for the development and use of the subject property, with focus on the model proposed and how it can create and sustain affordable housing for the long-term through use of the subject property. This should include descriptions and/or visual representations of the following:

- Specific purpose / objectives of the Proponent in the development of the subject property
- Methodology and approach proposed to deliver a project that meets the objectives of the PDO and of the Proponent. This must also clearly describe the proposed use and ownership of the Develop Nova Scotia contributed site (subject property), as well as any proposed land or building transfers if applicable.

- Proposed or potential uses/housing types based on specific needs and demands for affordable housing, including other resident-oriented or public assets in addition to housing.
- Specific target details regarding measures of affordability
- Information to demonstrate the financial feasibility of proposed approach in regard to construction and operations, including information respecting financial model(s), financial contributions, proposed land discount, planned use of other grants and/or funding initiatives, etc. Please note a detailed financial proposal is not required in Stage One. However, shortlisted Proponents will be required to submit detailed financial proposals in Stage Two.
- Approaches and targets in relation to accessibility and sustainability
- Approaches to participation and engagement with target groups.
- Approach to overall governance and management of any partnerships that demonstrates commitment between partners, specifically when there is no history of previous collaboration. This can include an overview of a proposed governance structure, decision-making processes, meeting schedules, etc.

(b) Overview of Proponent Team and Experience (40%): Team Profiles required for all team members and should include mission statements, mandates, and relevant experience related to:

- The provision of market and non-market housing for individuals and households, including those meeting income and eligibility thresholds proposed in the previous section.
- Organizational experience and capacity within the Proponent Team to carry out a project of relevant scale.
- Ability to provide property management services, including the management of various tenant population groupings if applicable;
- Successful collaboration or partnerships relevant to design, construction, management or maintenance of housing projects. Respondents should outline collaboration approaches and strategies used in partnering and remaining engaged with community organizations and/or private development partners.

(c) Site-specific details (20%): While detailed architectural drawings are not expected at this stage, Proponents are expected to demonstrate how their vision for Mixed-Model Development is suitable for the subject property. Proponents should include:

- Conceptual site plan sketches, elevations or perspectives demonstrating proposed use of the subject property and conceptual form and massing on the site.
- Preliminary overview of target project design and construction schedule.
- Target unit yield on site with preliminary breakdown by target unit type and other types of spaces and uses considered/desired.
- Preliminary estimate of total construction cost and any information to support viability of project financing and project operations and management approaches.

3.3 Schedule

PDO Stage One Submission Period Opens	January 25, 2022
Deadline for Questions / Enquiries	March 14, 2022
PDO Stage One Submission Period Closes	March 28, 2022
Selection of short-listed Proponents	April 2022
Target Stage Two process	Spring 2022

3.4 Questions and Enquiries

Please direct questions about the PDO to wdc1@developns.ca by March 14, 2022.

Develop Nova Scotia will record and respond to questions deemed to have material impact on all submissions. Questions and answers will be compiled and answered online at www.developns.ca/projects/wdc1

Proponents are permitted to submit labelled questions categorized as follows:

1. Questions that are of general application and that may apply to other Proponents ("General Questions"); and
2. Questions that the Proponent considers to be commercially sensitive or confidential to that particular Proponent ("Confidential Questions"). Each question or request for information shall be prominently labelled by the Proponent as either a "General Question" or a "Confidential Question".

If Develop Nova Scotia agrees with the Proponent's categorization of a Confidential Question, then Develop Nova Scotia will provide a response to that question only to the Proponent that submitted the question. If Develop Nova Scotia disagrees with the Proponent's categorization of a question as



a Confidential Question, Develop Nova Scotia will give the Proponent an opportunity to either re-categorize the question as a General Question or to withdraw the question.

3.5 Evaluation

An Evaluation Committee is responsible for evaluating the submissions in accordance with the criteria in the PDO in an impartial, objective, and fair manner, and making recommendations to Develop Nova Scotia. The Evaluation Committee comprises senior management and staff from Develop Nova Scotia and representation from external subject matter experts as deemed necessary.

Responses will be reviewed and evaluated based on the information provided in Section 3.2.

Develop Nova Scotia may, at its discretion:

- Request additional information from the Proponent to assist in the evaluation of the PDO;
- Use external assessment services to assist evaluation, particularly regarding financial information, costing, etc.; and
- Rely on information obtained from its own investigation and inquiries in evaluating the PDO.

After the completion of the evaluation, each Proponent will be ranked. The top-ranked Proponents may receive a written invitation from Develop Nova Scotia to participate in the second stage.

4. Legal and Other Matters

4.1 Non-binding Process

The PDO is a non-binding document. Develop Nova Scotia does not make any representation or provide any undertaking to prospective Proponents other than to invite them to submit a response. This PDO does not oblige Develop Nova Scotia to negotiate or execute an agreement with any Proponents, nor does it grant rights of any sort to any Proponents. Develop Nova Scotia shall not incur any liability to any Proponents because of responding to this PDO.

Develop Nova Scotia reserves the right, at its sole discretion, to accept or reject any or all proposals. By submitting a proposal, the Proponent acknowledges and agrees that Develop Nova Scotia will not be responsible



for any costs, expenses, losses damages (including damages for loss of anticipated profit) or liabilities incurred by the Proponent as a result of submitting a response to this PDO.

4.2 Agreement Negotiations

Develop Nova Scotia, at its sole discretion, may invite Proponents to enter into discussions through commercially confidential meetings and may use the results of those confidential discussions to define the terms of agreement for the subject property. Develop Nova Scotia may appoint an external Fairness Monitor to be present at any commercially confidential meetings.

By attending commercially confidential meetings, Proponents acknowledge and agree that:

1. Any statement made by Develop Nova Scotia or its representatives is not and shall not be deemed or considered to be an indication of a preference by Develop Nova Scotia or the Province of Nova Scotia or a rejection by Develop Nova Scotia or the Province of Nova Scotia of anything said or done by the Proponent, Proponent team member or any of their respective representatives for any purpose, including any purpose in connection with this PDO, subsequent Stage Two process or project agreement;
2. Develop Nova Scotia and Proponents agree that the Proponent, its Proponent Team Members and their respective representatives must treat information received at a Commercially Confidential Meeting as confidential information.

If the top-ranked Proponents and Develop Nova Scotia cannot conclude negotiations, upon notice, Develop Nova Scotia may discontinue negotiations with any top-ranked Proponent and may invite the other ranked Proponents to enter into negotiations. In this circumstance, Develop Nova Scotia may, at its sole discretion, elect to cancel the PDO process.

4.3 Other Terms and Conditions

All Develop Nova Scotia [Business Development Opportunity \(BDO\) terms and conditions](#) apply to proposals submitted in response to this PDO, except where modified by this document.



Appendices

All Appendices are available at www.developns.ca/projects/wdc1

- Appendix A - Site Overview
- Appendix B - Property Survey Plan, Frank Longstaff Surveying, 1981
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