

Harvest Sky Housing Development



Request for Qualifications

July 2024



HARVEST SKY REGION
ECONOMIC DEVELOPMENT CORPORATION

Section 1: Regional Background and Project Purpose

1.1 Regional Background

Harvest Sky Economic Development Corporation (Harvest Sky EDC) was formed on November 8th, 2012. Our shareholders include the Town of Hanna, Village of Youngstown, Alberta's Special Areas and Lynks. The Harvest Sky Region, located in east-central Alberta, includes the Town of Hanna, the Village of Youngstown, and the surrounding rural municipality that is managed by the Special Areas Board (SAB).

The Town of Hanna is located in Special Area No. 2 along Highway 9 and near Highway 36 with a population of over 2,600 people. The Special Areas is a unique rural municipality in Southeastern Alberta administered by a Board appointed by the Lieutenant Governor in Council. Its boundaries cover over 5 million acres of land and are home to almost 5,000 people within three Special Areas (No. 2, 3 & 4).

The Canadian Coal Transition Initiative and the subsequent closure of the Sheerness coal mine in 2021 had a significant impact on the Harvest Sky Region. The coal mine was a cornerstone of local employment, however, in recent years, the region has benefited from a number of economic and community development projects and initiatives that are helping to transform the region.

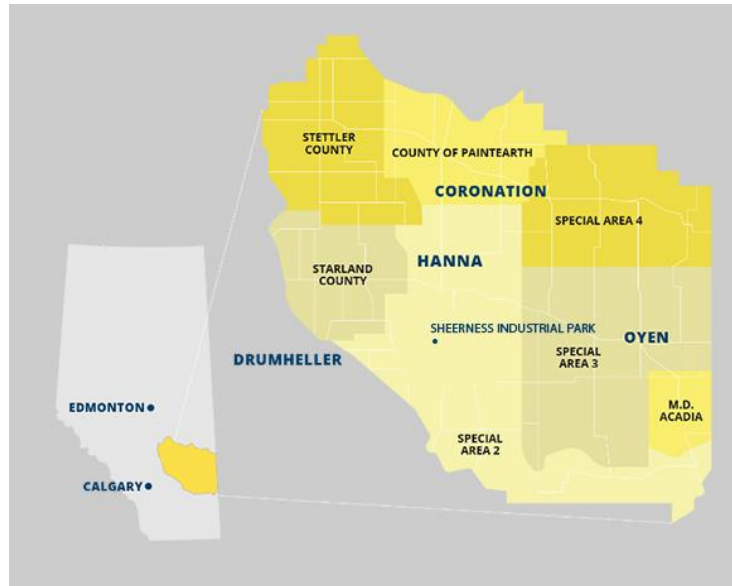


Figure 1: Map of the Harvest Sky Region & Special Areas

While traditional energy sources such as oil and gas continue to contribute to the regional economy, renewable energy has begun to play a significant role. Currently, the region boasts over 1200 MW of operational wind projects within the Special Areas, with an equivalent capacity of wind and solar projects in the development process.

In addition to renewable energy, the Harvest Sky Region has seen important community and infrastructure developments. These include the establishment of the Sheerness Industrial Park, planning for a new Agricultural Center, tourism attraction initiatives, and urban planning projects like the downtown Hanna revitalization initiative, the development of walking trails and the development of a Recreational Living Strategy for the town of Hanna.

Furthermore, the Special Areas Board is currently advancing a \$1.3 billion irrigation project that will convert 108,000 acres from dryland to irrigated farming and lead to increased agricultural productivity and diversification. Another potentially transformational project is the ongoing rail line feasibility study evaluating the possibility of re-establishing the rail line between Oyden and Calgary.

As the region continues to evolve, the Harvest Sky Economic Development Corporation remains committed not only to economic development and investment attraction, but also to enhancing the quality of life for its residents. This includes efforts to develop housing that accommodates different demographics and supports the community.

1.3 Project Purpose

The purpose of this Request for Qualifications (RFQ) is to pre-qualify interested developers and/or builders to assist regional stakeholders design and build a multi-faceted housing development in the town of Hanna. The prospective developer will work on the following aspects of a housing project:

- **Discovery:** consultation with stakeholders to identify needs, including potential special requirements, for housing in the region.
- **Predevelopment design, planning & financing:** design of housing options (including site plans); permitting and land use approvals; project costing for the purposes of obtaining financing (including potential grants and partnerships); the need for potential incentives or programs to make this plan a reality.
- **Construction:** construction of necessary infrastructure; attraction of a builder or builders (either local or from outside the region); a combination of on-site construction and ready to move housing are all possible options.
- **Sales and/or ongoing management:** some of the housing will be available for sale either by a developer or using local agents; some can be used for ongoing, private rentals; some will be sold to local stakeholders for their purposes and ongoing management.

In short, the Harvest Sky region has a need for a variety of housing and needs to partner with a developer or builder to help us bring our vision to reality.

Section 2: Regional Housing Profile

1.1 Market Assessment

A 2023 housing assessment completed for the Harvest Sky Region revealed demographic shifts and specific housing needs.¹ For example, from 2011 to 2021, the median age in the town of Hanna has shifted from 44.8 to 49.2 years, as compared to the provincial median of 38.4.² This trend suggests a rising demand for housing tailored to older adults, including retirement and assisted living options. Additionally, the study identified a need for smaller, affordable homes suitable for small families and seniors.

To further investigate the study's conclusions, Harvest Sky EDC engaged a number of regional stakeholders, including local employers, service groups, municipalities, home builders, and the real estate industry. For instance, Big Country Housing Authority is a local organization that works to address housing needs within the town of Hanna and surrounding area. With over 80 units under its management, this organization is well-positioned to assess unmet regional housing demand through its existing waitlists and feedback from the community. Additionally, the Prairie Land Public School Division has shown interest in developing dormitory-style student housing and teacher residences. Alberta Health Services has also identified a need for rental accommodations for healthcare professionals.

In summary, discussions with stakeholders have identified **a combined need for a minimum of 88 housing units in the town of Hanna**. Specific types of housing options are provided below:

1. Multi-Unit Residential Development:

- **Seniors Complex Expansion:**
 - 11 additional units.

¹ The Housing Needs and Demand Assessment can be viewed at the below link:

<https://harvestsky.ca/wp-content/uploads/2023/06/Special-Areas-Needs-Assessment-May-2023.pdf>

² Statistics Canada, Census of Population. <https://www12.statcan.gc.ca/census-recensement/index-eng.cfm>

- **Retirement Living Apartments:**
 - For ages 50 to 65+: 9 units.
 - With increased accessibility features: 2 units.
- **Educational Housing:**
 - 20 student dormitory units.
- **General Rentals:**
 - 12 units which include a mix of 3-bedroom, 2-bedroom, 1-bedroom, and studio apartments.

2. Standalone/Independent Residential Development:

- **Single Family, Detached Homes:**
 - 10 units for purchase (3 bedrooms, 2 bathrooms, single garage).
- **Detached Professional Rentals:**
 - 8 units designated for teachers and healthcare professionals.
- **Senior's Villa:**
 - 8 standalone units as part of a villa style complex that is designed for senior living.
- **Community Housing:**
- 8 units designed as affordable, standalone homes for low-income families.

The economies of scale of this project, when combined with potential incentives, will be used to attract a housing developer and/or builders. We will work with a developer or builders to design and construct sufficient housing to fulfill our current, regional housing needs.

1.2 Project Vision

The vision for the housing development is to create a vibrant, sustainable community that caters to the evolving needs of residents. As outlined above, the proposed development would address housing demand, which includes 54 multi-unit dwellings and 34 standalone homes. The site identified for the development is on 20 acres of land in the town of Hanna. The site is currently zoned as urban reserve and is ideally situated on the west side of Hanna, adjacent to an existing residential area and senior's lodge. See Appendix A for map that includes existing site utility servicing details.



Figure 2: Site of Proposed Residential Development

Conceptual design renderings have been created to showcase the potential layout and architectural aesthetics of the proposed development. Figure 3 on the following page illustrates the preliminary design that includes a blend of modern multi-unit complexes and standalone homes which are strategically positioned to foster a sense of community and ease of access.

Figure 3: Residential Development Conceptual Stage Design



1.3 Development Value Proposition

To improve the attractiveness of this project, the Harvest Sky Economic Development Corp has consolidated the region's diverse housing needs into a single, cohesive development. This integrated approach is designed to achieve significant economies of scale, thereby enhancing the project's economic viability for developers.

To further attract and facilitate the development of the Harvest Sky Housing Development, the local stakeholders and the town of Hanna are considering a variety of supportive measures and incentives designed to streamline the development process and enhance the viability of investment. Possible incentives include:

- **Risk-Sharing Agreements:** To mitigate risks for developers, stakeholders are open to discussing risk-sharing frameworks that can alleviate initial investment burdens.
- **Streamlined Development Processes:** Acknowledging the need for efficiency, the town is committed to facilitating a streamlined approval process for permits and zoning, reducing the administrative overhead for developers.
- **Deferral of Taxes or Fees:** Developers may benefit from deferred taxes or reduced fees during the initial phases of the development, improving cash flow and reducing upfront costs.
- **Low Land Costs:** Competitive land pricing and potential subsidies for land acquisition are on the table to reduce entry barriers for developers interested in this project.

The incentives listed are indicative of proposed support and subject to detailed negotiations in subsequent phases of project development. This initial expression of support showcases the region's commitment to fostering a conducive environment for housing development, while ensuring that final agreements will be tailored to meet the mutual objectives of all parties involved.

Section 2: Project Scope

2.1 Project Terms of Reference

At this initial stage of the development project, Harvest Sky is asking interested parties to submit a letter outlining their interest in the project. The letter should contain the following:

- what level their interest is in the project (for example, project developer, site construction, home builder, all of the above)
- company background and experience
- references of similar projects completed
- potential ideas for the project and/or expectations and criteria needed to make this project viable (what's it going to take to move it forward)

This RFQ is the initial stage of the development project and is being used to shortlist / narrow down interested parties to be involved in later stages of the project.

2.2 Project Governance

The project will be guided by Harvest Sky Economic Development Corporation (its manager and board) and any relevant stakeholders, determined through the planning stage of the development. Due to the nature of the project, the successful proponents will report to the Harvest Sky manager.

The successful proponent will be expected to address any concerns and ensure the approval of the manager before considering a deliverable of the project is completed satisfactorily.

2.3 Project Budget

Future work will be done as a competitive bidding process and Harvest Sky Economic Development Corporation reserves the right to accept proposals other than the lowest proposal without stating reasons.

2.4 Expected Deliverables

As outlined above, future expected deliverables will be the completion of a development project to address the housing needs of the region.

Meetings and other forms of communication with the stakeholders will be required from the successful proponent throughout the course of this project. Contact between the stakeholders and Harvest Sky will occur when needed, at no cost to the project sponsors.

2.5 Timeline

In order to assist developers, the following are the proposed key dates and events with respect to this RFQ process. Such dates are negotiable and may change based upon circumstances, without notice.

Deliverables	Timelines
Request for Qualifications issued	July 2, 2024
Response to RFQ required	July 19, 2024
Development Opportunity Package issued	TBD
Initial meeting, presentation of work plan, methodology, scope of project	TBD
Completion of all construction and other rehabilitation work	TBD

Section 3: Submission Format and Requirements

3.1 Letter

As outlined in section 2.1 Project Terms of Reference: submit a letter outlining interest in the project. The letter should contain the following:

- what level their interest is in the project (for example, project developer, site construction, home builder, all of the above)
- company background, experience and qualifications
- references of similar projects completed
- potential ideas for the project and/or expectations and criteria needed to make this project viable (what's it going to take to move it forward)

Section 4: General Terms and Conditions

All terms and conditions, as outlined in this RFQ, must be clearly reflected within the Proposal. In instances where the Developer is unable to meet any of the terms and conditions and deliverables as outlined, specific notation must be clearly expressed within the contents of the written Proposal document.

4.1 Submission and Closing Date

All submissions should be submitted no later than 4:30 pm on July 19, 2024 Alberta time.

Information Requests and Proposal Submission to	Closing Date
Mark Nikota Economic Development Manager Harvest Sky Economic Development Corporation P. O. Box 1255; 308-2 nd Ave W.; Hanna, Alberta; T0J 1P0 Phone: (403) 854-0589 Email: mark.nikota@harvestsky.ca	July 19, 2024 @ 4:30 pm AB time Invitation Title and Closing Date are to be marked on sealed envelope if proposal is mailed or couriered, or in the Subject Line if it is emailed.

4.2 Conditions of Proposals Received

Any proposal received after the specified closing date and time will not be considered.

The contracting organization which proposes to contract with Harvest Sky is referred to as the Developer. If the Developer discovers an error or omission in their proposal, they can withdraw their proposal up to two (2) hours before the proposal closing date; otherwise, their proposal is binding as submitted.

All proposals submitted shall be open for acceptance and are irrevocable for a period of sixty (60) days from the proposal closing date.

Harvest Sky Economic Development Corporation reserves the right not to accept any of the proposals submitted and can re-open competition for this contract.

4.3 Acceptance or Rejection of Proposal

The Developer is expected to enter into a contract within ten (10) working days of the notification date of acceptance by Harvest Sky Economic Development Corporation of their proposal.

4.4 Proposal Return

The proposal and accompanying documentation submitted by the Developer becomes the property of Harvest Sky Economic Development Corporation and will not be returned.

4.5 Proposal Alteration

Proposals submitted shall be final and may not be altered by subsequent offering, discussion, or commitments without the mutual consent of both parties in writing.

4.6 Period of Commitment

All Proposals must be firm for a period of at least 60 (sixty) days from the closing date and will be used by Harvest Sky Economic Development Corporation as the basis for any formal Contract.

4.7 Proposal Rejection

Harvest Sky Economic Development Corporation may reject any or all Proposals or cancel this invitation at any time.

4.8 Modification of Terms

Harvest Sky Economic Development Corporation reserves the right to modify the terms of this invitation at any time at its sole discretion.

4.9 Incurred Costs

Harvest Sky Economic Development Corporation shall not be liable for any costs for preparation or presentation of proposals by the Developer.

4.10 Questions

All questions related to this invitation shall be directed to the contact on the invitation cover sheet in writing or via email. Enquiries and responses will be recorded and may be distributed to all vendors at the discretion of Harvest Sky Economic Development Corporation. Verbal responses to any inquiries are not binding to either party.

4.11 Confidentiality

Information obtained by the Developer as a result of participation in relation to this invitation is confidential and must not be disclosed by the Developer except as authorized by Harvest Sky Economic Development Corporation.

4.12 Intellectual Property

All intellectual property and reports created or acquired from this project remain the property of Harvest Sky Economic Development Corporation and will not be returned.

4.13 Authority

Harvest Sky Economic Development Corporation is the sponsor and project manager of this project. Harvest Sky Economic Development Corporation at its sole discretion shall have the final approval or rejection of the project deliverables and any and all negotiations with the Developer. If the Developer is not meeting the terms of the project contract, Harvest Sky Economic Development Corporation reserves the right to discontinue the Developers work at each and any stage of the project.

4.14 Taxation

GST must be identified separately in the proposal.

4.15 Licensing

Dependent upon the status of the Developer mode of business operations, the Developer must be legally allowed to practice business in the Province of Alberta.

4.16 Contractual Warranties

The Contract will be governed by the Laws of the Province of Alberta.

All documents, records and information gathered in the course of completing the Contract will remain the exclusive property of the Harvest Sky Economic Development Corporation.

The Developer, its agents and employees will be required to maintain the strictest confidence concerning any and all information pertaining to this Contract.

The Contract shall not be assigned by the Developer under any circumstances.

The Developer shall indemnify and hold harmless Harvest Sky Economic Development Corporation from any and all third-party claims, demands, actions and costs whatsoever that may arise directly or indirectly out of any act or omission of the Developer, the Developers employees or agents, the performance by the

Developer of the Contract, including any losses, breaches of security, unauthorized disclosure of information or unauthorized use of records or information.

The Developers Proposal will form an official part of the formal Contract by virtue of its attachment to the negotiated Contract document. Claims made in the Proposal will therefore be considered by all parties as contractual warranties. Any provisions in the attached Proposal may also be duplicated in the Contract as a direct provision.

In the event of any inconsistency between the accepted Developers Proposal, the original RFQ and the signed Contract, the Contract will take precedence.

Section 5: Evaluation of Responses

5.1 Criteria for Evaluating Proposals (in order of importance)

- **Experience:** company background and experience with a focus on the suitability and quality of previous works completed in the residential development space (including the creativity of proposed solutions to move the project forward)
- **Understanding:** demonstrated understanding of the project objectives and scope and how they relate to the variety of stakeholders that are represented in the project
- **Expectations:** what level of involvement, incentives or partnership will be expected from stakeholders to move the project forward
- **Recommendations:** prior clients (including list of references) for whom the Proponent has performed previous work
- **Communications:** the ability to manage stakeholder expectations, evolving needs and the willingness to work in partnership with stakeholders to find creative solutions to mutually benefit all parties

5.2 Award or Rejection of Bid

Any award made is subject to a signed Contract. If a Contract between the Developer and Harvest Sky Economic Development Corporation cannot be negotiated in a timely fashion to Harvest Sky Economic Development Corporation's satisfaction, the award may be withdrawn.

Harvest Sky Economic Development Corporation reserves the right to withdraw the award at any time for any reason during the Contract negotiation process. If the successful proponent is unable to fulfill the terms of the Contract, Harvest Sky Economic Development Corporation will take appropriate action, which may include awarding the contract to an alternate proponent.

5.3 Questions and Contact Info

For questions, clarifications or general information about this proposal, please reach out to:

Mark Nikota
Economic Development Manager
Harvest Sky Economic Development Corporation
Ph: 403-854-0589
Email: mark.nikota@harvestsky.ca

Appendix A – Proposed Housing Development Site.

