

# PIER 8 DEVELOPMENT OPPORTUNITY RFP C11-66-17

## PROCESS STRATEGY REVIEW

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A compendium to Staff Report PED14002(h)

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## 1 RFP Strategy Considerations

Pier 8 presented Hamilton with a generational opportunity to leverage public lands in a manner that could generate a host of positive city-building outcomes in addition to raising sale revenues. Particularly unique characteristics about Pier 8 are that it:

- Is a significant, urban site preparing for a major land use transition;
- Plays a key role in a broader public recreation and civic gathering place strategy; and
- Presents an opportunity to introduce innovative new ideas into the local real estate development marketplace.

While exciting, the opportunity also presented itself with no contemporary examples or replicable models within the Hamilton context. Bearing this in mind, Staff looked to peers across the country, learning from their practical lessons while also being inspired to institute a “made in Hamilton” approach.

The driving forces behind the Pier 8 RFP are rooted in two primary objectives:

1. Identify a purchaser and developer of the lands whose capabilities and vision align with the City’s desired outcomes for Pier 8; and
2. Leverage the Pier 8 RFP to generate broad ranging benefits that extend beyond the development of the Subject Lands themselves for the benefit of all Hamiltonians.

The first addresses the ‘on-the-ground’ task of getting the Pier 8 lands developed. The second suggests a higher-order set of desired outcomes that considers a much broader scope of influence that this RFP could impart for the benefit of Hamiltonians irrespective of their direct connections to Pier 8 itself.

### 1.1 The “Maximized Balance” Challenge

Recognizing Pier 8 and the broader waterfront’s importance to all Hamiltonians, Staff approached the RFP strategy with a desire to provide benefits for as many segments of people as possible. The goal was to ensure that whether living, working, or visiting at Pier 8, that people of all ages, incomes, lifestyles and abilities feel a sense of inclusiveness and pride when standing at the site. Staff also wished to create ways in which the resulting development could generate benefits beyond the immediate geographic area, creating positive social, economic, and environmental spin-offs for the entire City.

Such an ambitious and broad-reaching goal inherently comes with some seemingly incompatible objectives, some even existing at different ends of the same spectrum. Achieving balance without compromising on outcomes was Staff’s ultimate challenge. Instead, how can the RFP achieve balance by encouraging Proponents to present their absolute best ideas to generate maximum positive outcomes for all while limiting the trade-offs? How can we instigate a “maximized balance” outcome?

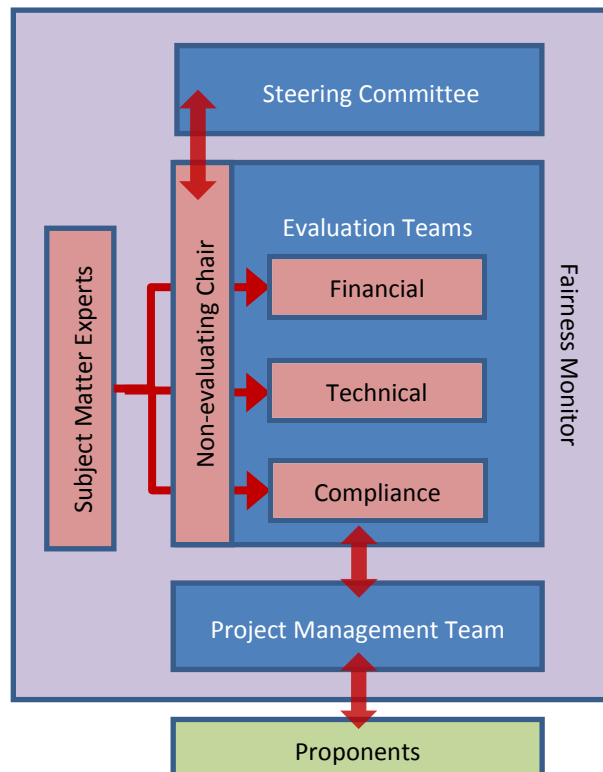
Staff identified and directly acknowledged a number of compatibility challenges that would need to be addressed through the RFP process in order to achieve maximized balance:

- Develop a fair and consistent evaluation approach that can accommodate high variability between proposals;
- Encourage innovation while being practical about implementation;
- Give credit for strategic, “big ideas” while tempering them against risk exposure to the City in the event that the concepts do not materialize as propositioned; and
- Acknowledge that financial value achieved may be in direct trade-off with city-building objectives.

## 1.2 Governance Structure

The Pier 8 RFP evaluation process was governed and executed by a select team of City staff and third-party consultants who each played a contributory role in not only determining a Preferred Proponent, but also in upholding the integrity of the process itself. Since the core goal of the RFP is to produce benefits for a wide range of people, it was important that a wide range of disciplines, perspectives, and interests be represented on the team. The following is a brief overview of the roles and relationships within the governance structure.

Figure 1: RFP Process – Governance Structure



The **Project Management Team’s** role was to administer the entire RFP process including facilitating the design and execution of the RFP, obtaining Council approvals, liaising with

Proponents, and facilitating evaluations. This team was comprised of Staff from Planning, Procurement, Legal, and Finance.

The **Steering Committee** is comprised of the City Manager, General Manager of Public Works, and General Manager of Finance and Corporate Services. The Committee’s mandate was to act as a senior-level oversight body to ensure that the City’s interests were upheld throughout the evaluation process. This mandate was primarily exercised through a hearing session during which the Evaluation Teams presented its evaluation findings and recommended Preferred Proponent. Following the inquiry, the Committee had the option to accept or reject the Evaluation Team’s recommendation in part or in whole.

Three evaluation sub-teams were exclusively tasked with evaluating the Proposals:

- The **Compliance Evaluation Team** was responsible for reviewing each Proposal and confirming completeness and compliance in accordance with the RFP instructions.
- The **Technical Evaluation Team** was responsible for evaluating and scoring each Technical Proposal.
- The **Financial Evaluation Team** was responsible for evaluating and scoring each Financial Proposal.

The Evaluation Teams were comprised of senior City Staff drawn from the Planning and Growth Management divisions in the Planning and Economic Development department (PED), the General Manager’s Office and the Asset Management Operations divisions in Public Works (PW), Finance and Procurement from the Finance and Corporate Services department (FCS).

**Subject Matter Experts** (SMEs) were engaged both from within the City Administration and from the private consultant field to provide support to the Evaluation Teams by providing responses to specific inquiries posed by evaluators with respect to content found within the Proposals. SMEs did not evaluate Proposals, but rather clarified technical content for the benefit of the Evaluators. SME responses were vetted by the Fairness Monitor to ensure no influence or bias was inferred. SME’s were brought in specifically to address subjects such as urban design, place-making, compliance with Setting Sail, financing, affordable housing, and environmental sustainability.

The **Non-evaluating Chair** governed the Compliance, Financial, and Technical Evaluation Teams through independent and consensus evaluations. The Chair’s primary role within the governance model is to serve as the intermediary between the Evaluation Teams, Subject Matter Experts, Steering Committee and Fairness Monitor.

The **Fairness Monitor** has been engaged by the City since the beginning of the entire solicitation process to monitor execution of the RFP and provide an independent evaluation of the City’s adherence to fairness and transparency principles as established in the RFP and other related policies of the City (e.g., Procurement Policy By-law). P1 Consulting is not only a highly experienced fairness monitor of Canadian public sector procurements, but their experience includes several high-profile public real estate deals that were similar in objective and form to the Pier 8 project. Their oversight has included advance review and advice

regarding the RFP document and all issued Addenda, vetting of all correspondence with the Proponents, approval of the Evaluation Framework including application of criteria and scoresheets, fairness orientation and training of all participating personnel, and participation in all Commercially Confidential Meetings, evaluator consensus meetings, and the Steering Committee hearing.

### 1.3 Pre-emptive Risk Management

Understanding that Pier 8's transformation is both highly complex and open to a high degree of scrutiny due to its profile and importance to the public, project Staff maintained an eye on pre-emptive management of risks as a foundational element of the entire solicitation strategy and process design. The manner in which both the RFQ and RFP have been carried out sought to protect the City from potential risks, arising either during the solicitation process itself, or afterwards, once the relationship with the Successful Proponent formally commenced. Below are the in-process (i.e., during RFP) and outcome (i.e., after RFP) risks that project Staff sought to pre-emptively mitigate through process design.

#### 1. In-process Risks

- a. **Changing project parameters** – The RFP was being carried out while the City was concurrently contending with live issues that could dramatically change the nature of the development and the deal itself (e.g., OMB appeal, Record of Site Condition filing, etc.);
- b. **Misdirected responses** – Notwithstanding the proven capabilities and capacity of the shortlisted Proponents, there remained a risk throughout the RFP process that Proponents may misinterpret the City's expectations or believe there to be a lack of information and clarity, resulting in misdirected responses;
- c. **Proponent Disputes**– As noted, given the high profile of the Pier 8 project, it was expected that the process itself could be scrutinized by the public, media, and Proponents themselves, with the biggest risk being that a Proponent might raise a grievance claiming unfair treatment during the solicitation process.

#### 2. Outcome Risks

- a. **Financial losses** – In reviewing peer municipalities' experiences with similar land transactions, the most commonly identified risks were related to missing out on future potential value uplifts and lack of protection against unexpected failures;
- b. **Broken promises** – There remains a risk throughout the project horizon that the promises upon which the Successful Proponent was selected may not materialize for a variety of controllable and uncontrollable reasons.

Project Staff agreed that the best way to actively mitigate these potential risks is through pre-emptive forthright communication, unambiguous transparency, and meticulous specificity. The following tactics were employed to advance these principles throughout the RFP process.

1. **Fairness Monitor** – as noted previously in this Report, the Fairness Monitor has been intimately involved in the proceedings of this solicitation process from its very inception. Having an independent monitor whose exclusive role is to ensure that the process has been designed and executed in a fair, open, and transparent manner goes a long way to limiting the odds and impact of a potential dispute;
2. **Written communications** – where practical, the City transmitted all instructions and guidance in writing whether through the RFP, addenda, or individual communications with Proponents. This allowed for a high degree of specificity to be communicated and provided the formal record of binding statements. Important communications that help mitigate risks include the City’s Reserved Rights in the RFP, which clearly communicated how the City may carry out the RFP, the Minimum Green Building and Design Guidelines, which laid out a set of expectations during the eventual Site Plan Application stage, and the responses to clarification questions that provided guidance on the interpretation of instructions or applicable regulations.
3. **Commercially Confidential Meetings (CCM)** – Notwithstanding the desire to issue all communications in writing, the RFP process also included CCMs during which project Staff met in person with each Proponent team individually to engage in open discussions about the RFP instructions, interpretations, and expectations. The Fairness Monitor attended all CCMs and questions that were not deemed commercially confidential in nature were answered in writing for the benefit of all Proponents via public addendum. CCMs not only provided needed clarity but also built trust with Proponents that the City was conducting the RFP in a reasonable and flexible manner while maintaining a high degree of integrity and respect for all Proponents’ confidentiality.
4. **Structured deal** – As previously elaborated in Staff Report PED14002(f) and summarized in greater detail in Section 4 of this document herein, the mandated deal structure was specifically envisioned to allow the City to participate in future potential value uplifts while using ownership control as the primary mechanism to protect against potential downside risks. In the spirit of transparency, the RFP and addenda provided the Proponents with an explanation of the mechanics of the Financial Proposal evaluation model as well as disclosing most of the variable assumptions that would be used to normalize the Proposals. The proposed deal variables will eventually be entrenched in the Development Agreement and transaction contracts.
5. **Draft Development Agreement** – Following this RFP process, the City will engage in contract negotiations with the Preferred Proponent dealing with issues related to the execution and fulfillment of the winning Proposal. To that end, the RFP pre-emptively included a draft Development Agreement which signalled to the Proponents the City’s expectations with respect to implementation, including prospective penalties for specific fulfillment failures. Proponents were asked to submit proposed amendments to the draft Development Agreement accompanying their Proposal submissions. These proposed

amendments were not evaluated or scored as part of the RFP evaluations, but will serve as a starting place for the negotiation phase.

#### 1.4 Evaluation Process and Scoring Framework

With the goal of maximized balance in mind, Staff presented PED14002(e) to GIC in July 2017, which outlined a recommended scoring framework wherein the Total Proposal Score would be split 60/40 between the Technical and Financial Proposals, respectively. Informing this recommended split was extensive public consultation that suggested a desire from the public for a tilt towards maximizing benefits for people over maximizing the funds from sale. The likely trade-off between maximizing technical and financial outcomes was recognized at an early stage and was a key influence on the proposed scoring framework. The scoring split favouring the Technical score would signal to Proponents that the RFP is more than just a financial bidding exercise, with greater emphasis placed on city-building objectives, without downplaying the City’s desire to raise capital revenues through the land sale.

Staff further recommended that the Technical Proposal and scoring be further broken down into the following subsections which struck a balance between concepts and execution:

- Development Plan (30 out of 60)
  - Plan Overview and Design Excellence;
  - Residential Program;
  - Place-making; and
  - Environmental Sustainability;
- Urban Innovation (15 out of 60); and
- Implementation Plan (15 out of 60).

The overall score for each Technical Proposal would also have to pass a minimum benchmark of 30 out of 60 in order for the Proponent to be eligible as the Preferred Proponent. This would further ensure that a Proponent could not “buy the deal” with an excessively high financial bid without also backing it up with a reasonably agreeable Technical Proposal.

While the evaluation of Technical Proposals would be measured and scored out of 60 potential points against the Technical Evaluation Criteria, allocation of the 40 potential points for the Financial Proposals would be distributed on a relative basis. That is, being a much more objective numerical exercise, the final notional dollar values resulting from each Financial Proposal valuation exercise would be ranked, and the top value will be assigned the full 40 available points, with each successive Proposal receiving a proportion of the 40 points commensurate with its indicative financial value as a proportion of the top-ranking indicative value.

he RFP would also employ a two-envelope, “blind” evaluation process where the technical team reviews the Technical Proposal and the financial team reviews the Financial Proposal separately but concurrently, while being kept blind from the others’ results. Only once the Technical scores are deemed to have passed the minimum benchmark (30 out of 60), would the



Technical and Financial scores be combined to reveal the top scoring Proposal presented to the Steering Committee for endorsement as the Preferred Proponent.

## 2 Proposal Submissions & Evaluation Criteria

### 2.1 Core Principles

At the onset of strategizing the solicitation process, Staff established the principal maxim: focus on desired outcomes, not prescribed tactics. This maxim was meant to remind all administrators, participants and observers that the Pier 8 RFP is ultimately a land sale process, and not a procurement process. The City is not purchasing a specified technical solution, but rather is seeking to sell lands to a purchaser who can demonstrate alignment with the City’s vision. Therefore, the RFPs objective was to leverage the competitive process to maximize the breadth and depth of proposed aspirations, seeking a wide variability between the proposals beyond price. Instead of aiming to just comply with a set of prescribed specification requirements, Proponents would need to be motivated to bring their best ideas, capabilities, and experience to the competition.

Extending beyond this core maxim other key touchstones that helped shape the RFP approach included:

- i. **Secondary Plan and Urban Design Study** – the two most important policy documents that shaped the RFP were the West Harbour Secondary Plan (“Setting Sail”) and the Pier 7+8 Urban Design Study (“UDS”). The evaluation criteria related to the physical development plans were effectively derived from the principles set out in these planning and building design frameworks. The RFP was also strict in specifically disallowing any deviation from Setting Sail.
- ii. **Community Vision** – through a comprehensive series of public consultations leading up to the proposed solicitation process being approved by Council, Staff worked with the community to articulate a vision that reflected the desired outcomes from the public’s perspective. In many regards, these desires reflected the core principles of Setting Sail, with expanded values emphasizing inclusivity.
- iii. **Balanced Risk-Reward Profile** – While maximizing benefits for the City remains the focus of the RFP, the notion of “value” should impart not only positive outcomes, but must also consider an understanding of associated risk exposures. Decisions should ultimately be made on the basis of a balanced risk-reward profile, especially when considering promises made against odds of delivery success.
- iv. **Performance Targets** – In instances where a measurable performance target would be required, the RFP maintained flexibility to leave the setting of targets in the Proponents’ control, and instead was clear about how achievement will be enforced. In some cases, a minimum pass/fail benchmark was set as a compliance requirement of the RFP (e.g., parking ratios). In cases where the achievement could only be ascertained after construction (e.g., LEED certification), Proponents were notified through the distributed draft Development Agreement of the penalty mechanism for not achieving the articulated

target. Similarly, penalties were specified for missing proposed payment dates related to the Financial Proposal.

- v. **Maximizing Both Public and Private Interests** – While the Pier 8 Subject Lands will ultimately be developed for private uses, it is recognized that the resulting development will be expected to significantly further Pier 8’s identity as a public recreation and community gathering place for visitors from near and far. In the spirit of “maximized balance”, the RFP was carefully crafted to ensure that the general public’s interests were as centrally represented as those of prospective private residents.

Staff distilled the following priorities from Setting Sail, the UDS, and past public consultations:

<b>Public Interests</b>	<b>Private Interests</b>
<ul style="list-style-type: none"> <li>• Pedestrian priority (including bikes and mobility devices)</li> <li>• Enhanced open spaces and improved public access to water’s edge</li> <li>• Institutional use that is welcoming to all (not just for residents)</li> <li>• Retail and programing for visitors</li> <li>• Accessibility and crime prevention enabled through building and landscape design</li> <li>• Phasing in of Institutional Block and Greenway sooner than later, for public enjoyment</li> <li>• Promote clean water on the harbour</li> <li>• Support a range of transportation options (biking, public transit, parking)</li> <li>• Minimize environmental impact and promote Hamilton as a leader in sustainable development</li> <li>• Affordable housing configurations that are suitable to match demand and favourably phased</li> <li>• Commitment to using local labour and materials</li> <li>• Opportunities to generate economic, social, or environmental benefits beyond the immediate geographic area</li> </ul>	<ul style="list-style-type: none"> <li>• Variety of residential choice (unit types, configurations, prices)</li> <li>• Energy and operational efficiency focused on occupant comfort and cost conscious living</li> <li>• Options for accessibility retrofits and aging-in-place</li> <li>• Range of transportation options (biking, public transit, parking)</li> <li>• Nuisance protection against adjacent industrial uses</li> <li>• Health and wellness of occupants</li> <li>• Convenience retail to serve immediate residents</li> <li>• Promote capital preservation</li> </ul>

## 2.2 Technical Scoring and Evaluation Methodology

Similar to how the Technical and Financial Proposals are likely to exist in a trade-off relationship, the approach to evaluating each is also distinctly different. Evaluation of Financial Proposals, being a much more objective numerical exercise, does not require a wide range of evaluative criteria. A discussion regarding the Financial Proposal evaluation criteria and evaluation methodology is found in Section 4 of this report.

By contrast, Technical Proposals would be where the core principles of Setting Sail, the UDS, and community vision would be reflected as well as an understanding of the Proponent’s implementation strategies and tactics. As such, the bulk of effective evaluation criteria would need to focus on the scoring and evaluation of Technical Proposals.

In determining the most appropriate framework and methodology to complete Technical Proposal evaluations, project Staff first considered the magnitude and complexity of the Pier 8 project tempered against the quality, capability, and capacity of the shortlisted Proponents. In effect, the Technical portion of the RFP was asking Proponents to propose a new community from the ground up. While the Proponents are all sophisticated developers experienced with developing master planned communities, this RFP tasked them to lay out their intentions regarding the site and implementation plans prior to acquiring the lands, far in excess of what they would be required to do in a private market process, and furthermore, subjected those intentions to a high degree of scrutiny. In the private marketplace, lands typically go to the highest financial bidder with the developer assuming the execution risks and with little scrutiny on the plan itself.

Within this context, the City’s challenge was to land on a fair process that balances a wide variety of public and private interests and one that can keep the Proponents engaged while demanding enough information to be able to make a confident judgement regarding the winner.

In consultation with Procurement and the Fairness Monitor, project Staff set an intention to conduct Technical Proposal evaluations by way of consensus scoring. This approach requires each member of the Technical Evaluation Team to reach consensus and ascertain a single, official evaluation for each Proposal. This approach is considered a best practice for complex decision-making assignments as it allows for open dialogue and can address varying proposals that do not conform to a highly-defined technical specification with precisely measurable outputs.

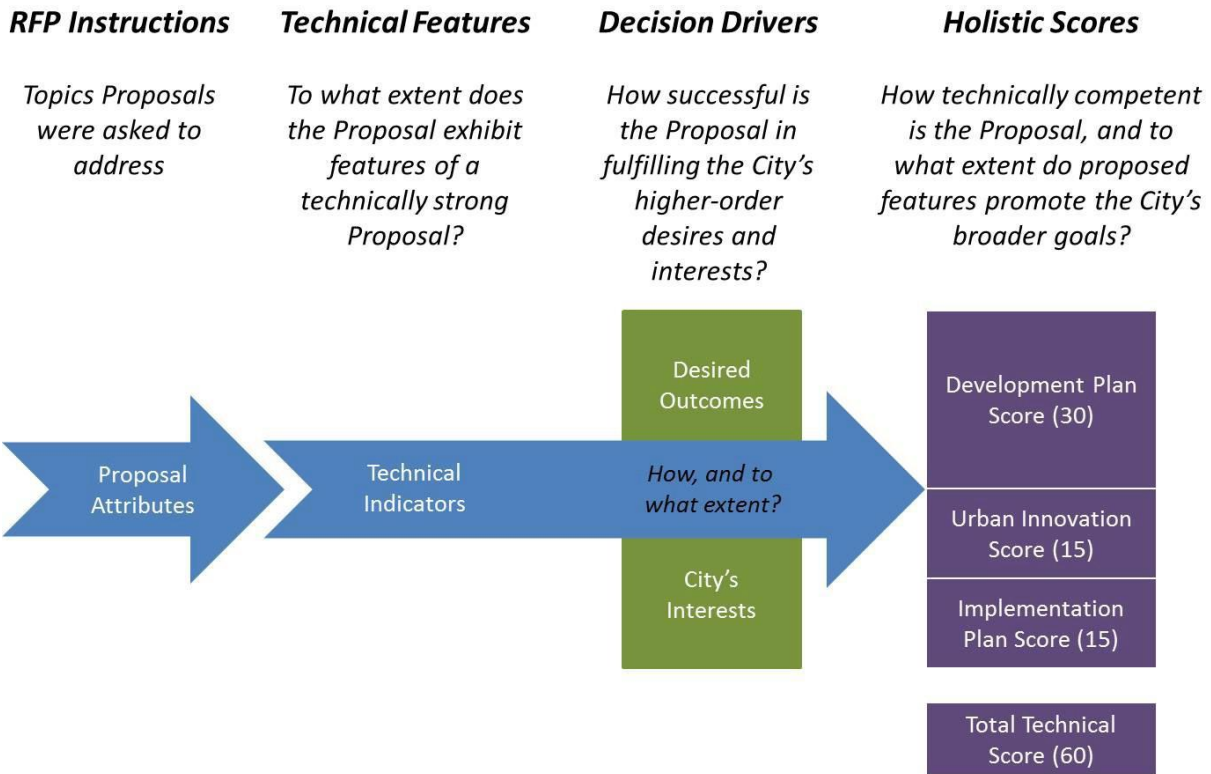
Furthermore, project Staff opted for a holistic scoring scheme (i.e., there was not a granular point allocation matrix), which considered how all elements presented in the Technical Proposal contribute and fit together. This highly flexible approach recognizes that the winning development will have intrinsic value that is much greater than the sum of its parts. In addition to aligning well with the consensus based decision-making format, holistic scoring has a number of additional benefits:

1. It does not require the City to definitively make relative value judgements on plan features that could have differing value to different interest groups;

2. It accommodates the reality that many plan features can contribute to the overall success of the scheme under multiple several criteria at the same time (e.g., ground-oriented units promote overall street safety, while also offering family-friendly and more accessible residential options)
3. It forces Proponents to contemplate and include, to the fullest extent, all elements, as they each potentially have equal value to the City, resulting in maximum beneficial outcomes for the City.

Evaluating Proposals in this context requires a multi-dimensional approach to ensure that the criteria are comprehensive and address both the site-specific and higher-order objectives. The following diagram and discussion illustrate the components and thought process behind the RFP’s holistic scoring methodology.

**Figure 2: Pier 8 RFP Holistic Scoring Methodology**



### **2.3 Technical Proposal Submissions**

Recall that the Technical Proposals were set up to be evaluated along the following structure:

- Development Plan (30 out of 60)
  - Technical Specifications & Design Excellence;
  - Residential Program;
  - Place-making; and

- Environmental Sustainability;
- Urban Innovation (15 out of 60); and
- Implementation Plan (15 out of 60).

Within this framework, Staff sought to identify features and qualities that would characterize a well-rounded response under each of the above sections and subsections. Incorporating input from a variety of subject matter experts drawn from within the Administration (e.g., Buildings, Public Works, Growth Management, Operations, etc.) and external consultants, the result was an extensive list of 100 individual attributes that, if adequately addressed in a Proposal, would present a comprehensive understanding of the Proponent’s intended Development, Urban Innovation, and Implementation plans. These attributes formed the detailed list of submission instructions given to the Proponents (i.e., “Please address the following...”) as found in Subsection 2.1 of the RFP’s Evaluation Process section.

## 2.4 Evaluation Criteria – Decision Drivers and Technical Indicators

As previously noted, the driving forces behind the Pier 8 RFP are rooted in two primary objectives – one concerned with the specifics of the Pier 8 development, and one reflecting a higher-order set of desires and interests.

The Setting Sail and UDS guiding principles, together with the community vision speak to the higher-order objective. From these foundational documents, project Staff established the following ‘desired outcomes’ criteria:

1. A vibrant, mixed-use community that enhances the area while respecting the existing neighbourhoods;
2. An animated waterfront that offers a comprehensive cultural, recreational and retail experience for residents and visitors alike;
3. Enhanced physical and visual connections to the harbour and increased public access to the water’s edge;
4. A community that is planned, designed, and built to support a multi-modal transportation system that integrates with the rest of the City’s network;
5. A community that is inclusive of a diverse range of incomes, household configurations, and lifestyles; and
6. A community that stands as a model of excellence in the fields of design, sustainable living, accessibility, and environmental conservation.

These desired outcomes have been communicated to Proponents throughout the solicitation process and as early as the release of the Request for Qualifications document.

Similarly addressing the higher-order objective, Staff also developed a set of ‘decision driver’ criteria focused on the City’s interests, specifically on ways that the Proposal outcomes would maximize benefit for, or minimize potential risk to, the City through its delivery of the project:

1. **Consistency with established policies, vision, and Council directives** – inconsistency could be indicative of a Proponent that wishes to seek future policy amendments that do not conform to the City’s vision;
2. **Creative and strategic approach to all aspects of the Development Plan and delivery model** – contrasted against a piecemeal approach, a cohesive approach demonstrates a commitment to long-term success and a higher achievement standard to truly make Pier 8 a model of excellence;
3. **Social, environmental and economic benefits for the City** – the expectation is that Pier 8 should provide benefits for the City that extend beyond just the financial sale proceeds and immediate neighbourhood development;
4. **Balance between innovation and ease of execution** – while innovation is desirable, overly ambitious ideas and plans have the associated risk of not materializing as envisioned, resulting in a sense of broken promises;
5. **Long-term commitment to the site and thoughtful approach to unanticipated changes** – articulating a commitment to the project and demonstrating a robust governance approach and change management strategy;
6. **Cooperative / collaborative approach to relations with the City administration and the general public, including community and special interest groups** – an openness to work with the City and community partners demonstrates a willingness to make decisions collaboratively in the best interest of the project;
7. **Overall financial value for the City** – where possible, Proponents should seek implementation tactics that are self-sustaining and do not put undue strain on the City’s resources (e.g., downloading administration of proposed programs on the City); and
8. **Fair and equitable risk-reward sharing model with the City** – the City is put in an awkward position in instances where a potential positive outcome is contingent on the City providing certain accommodations or financial support. Instead, there should be an equitable match between the promises being made and responsibility for execution.

While the decision drivers are grounded in high-level desired outcomes and the City’s broader interests, and notwithstanding the holistic scoring approach, it was important that the Technical Proposals also pass through a rigorous screening process that assesses the finer details of the proposed solutions, tactics, and performance expectations presented in each.

To that end, Staff determined a set of key ‘technical indicators’ that would be used to measure the extent to which the Proposals successfully addressed the instructed technical components of their plan. These indicators were used as practical measures to evaluate the technical output of each Proposal. Through these technical indicators, evaluators could then assess the extent to which the higher-level objectives would likely be fulfilled by the Proposal.

In particular, the depth and breadth to which each Proposal conveyed its attributes was an important contributing factor to the final scores. That is, higher scores were given to Proposals that exhibited well-articulated plan concepts, thoughtful execution tactics, a high degree of commitment with limited conditions, and demonstrated that addressing the City’s decision drivers was an underlying priority. The Evaluation Team sought Proposals that did more than just say “we’ll do it”, and instead also:

- Demonstrated thoughtfulness and care given to each attribute Proposals were required to address;
- Provided appropriate levels of specificity (e.g., quantifiable measures, locations, timelines, etc.);
- Either articulated tangible execution plans or named capable execution partners where it was recognized that the Proponent themselves are not the ideal executor;
- Placed limited conditions on proposed outcomes, especially contingent events not within the Proponent’s control (e.g., legislative changes);
- Required limited accommodation from the City to realize the promised result (e.g., funding);
- Could generate benefits for the City with limited potential downside risk exposure; and
- Articulated how they and the City would work together to address changing circumstances.

A listing of the technical indicators can be found in Subsection 3.2 of the RPF’s Evaluation Process as well as in the ‘Comprehensiveness Tests’ under each subsection of the Technical Proposal Evaluation Worksheet template found on Pages 28 to 38 at the back of this report.

Putting all of the pieces together and referring back to Figure 2, the RFP instructions directed Proponents to address specific attributes within their plan. While the technical indicators were used to evaluate the Proposal’s technical features, the decision driver criteria were used to assess how the proposed development could advance the City’s higher-order desires and interests. Ultimately, the holistic score for each segment of the evaluation was determined through a critical assessment of both technical competency and alignment with the City’s city-building objectives.



### 3 Technical Proposal Evaluations

#### 3.1 Technical Specification Compliance Checks

Prior to subjecting Technical Proposals to full evaluations, each were reviewed for compliance in accordance with specific minimum technical specification requirements mandated by the City. Each of the following compliance requirements was established to entrench certain technical performance objectives into process, ensuring that at least a minimum outcome would be reflected in all Proposals:

1. Development Plan must not exceed allowable building heights for each Block, consistent with the site-specific zoning by-law and Setting Sail;
2. Development Plan must not exceed allowable unit densities for residential properties, consistent with the site-specific zoning by-law and Setting Sail;
3. Development Plan must not exceed allowable floor areas for various building use types, consistent with the site-specific zoning by-law;
4. Development Plan must not require a Secondary Plan Amendment / Official Plan Amendment in order to implement;
5. Development Plan must meet the minimum parking requirements in accordance with the site-specific zoning by-law;
6. Development Plan must meet the minimum affordability guideline (i.e., 5% of all residential units must meet City’s definition of affordability for home-ownership units) consistent with Council’s directive;
7. A minimum targeted level of LEED certification must be stated to ensure the employment of a standard performance framework, the certification for which will be verified by a qualified third party;
8. A low-energy performance target at or exceeding the directed industry benchmark must be stated to ensure low-energy consumption is a priority performance consideration, and can be measured in a standard manner.

Beyond these technical compliance requirements, no other restrictions applied. However, in the case of planning policy, Proponents were given latitude to identify instances where a minor variance or zoning amendment may be required to implement their plan. Identified items were evaluated by the RFP project’s Planning SME to confirm compliance with the “no OPA” requirement (#4 above). The Planning SME also confirmed compliance with Items #1 to #6 of the above list. These compliance requirements were considered on a ‘pass/fail’ basis.

Additionally, Proponents were given a number of Key Assumptions which, for the purposes of responding to the RFP, they were directed to reflect in their Proposals (see Subsection 3.3 of this report for additional details).

#### 3.2 Evaluation, Scoring, and Consensus Meeting Protocols

Technical Evaluators followed a three-step methodology to measure each Proposal’s performance against the technical indicators, make a judgment under the decision drivers

criteria, and articulate the rationale for the score given for each section (Development Plan, Urban Innovation, Implementation Plan):

1. ‘Comprehensiveness Tests’, assessed the Proposal against each listed technical indicator in order to determine the extent to which the Proposal has satisfactorily addressed each issue (e.g., fully, partially, or missing). These tests provided an indication of the Proponent’s holistic approach to developing its Technical Proposal;
2. ‘Criteria Fulfillment’ evaluations rated the Proposal against each of the decision drivers criteria;
3. ‘Summary of Strengths and Areas for Improvement’ provided free-form commentary to identify specific presented attributes that predominantly influenced the score. These comments will also be used to provide debriefs to Proponents.

Please refer to the Technical Proposal Evaluation Worksheet template found on Pages 28 to 38 at the back of this report for an illustration of the three-step methodology described above.

In order to reach consensus amongst a potentially wide range of contributors, a number of consensus meeting protocols needed to be established and observed:

1. **Equal representation** – To prevent a faction of the Evaluation Team from dominating or disproportionately influencing the final outcomes, each team member conducted their own independent evaluation of each Proposal prior to the consensus meetings. Independent evaluations were conducted using the exact same scoring framework and scoring worksheets as would be applied during the consensus meetings.

Evaluators were each given an evaluation framework reference manual, as well as orientation and fairness training, prior to commencing their independent evaluations. Furthermore, evaluators were prohibited from communicating with each other during the independent evaluation period so as not to influence each other. Subject Matter Expert Briefing Notes were distributed to all evaluators, containing written responses to all technical questions that were posed during the independent evaluation process.

During the consensus meetings each evaluator was given equal opportunity to present their findings for each Proposal, attribute, key indicator, and criterion.

2. **Scoring ranges** – A degree of scoring standardization needed to occur in order to accommodate for variances inherent in bringing together different opinions and perspectives. At the same time, however, given that much effort was made to encourage variability between Technical Proposals, a scoring outcome that project Staff wished to avoid was close clustering of Technical Proposal scores such that the Financial Proposal would be the ultimate factor determining the Preferred Proponent.

Therefore, all evaluators were instructed to form their scores according to a “base-10” range (in half-point increments) and then mathematically adjust to the appropriate score allocation for the given section. In other words, as an example, although the Urban Innovation section is scored out of 15, evaluators first gave a “score out of 10” and then

adjusted that score to be equivalent to a “score out of 15”. This approach has two benefits to the process. Firstly, people more easily think in terms of base-10 (e.g., an 85% score is 8.5 out of 10). Secondly, the act of mathematically adjusting afterwards naturally creates some “spread” between scores (i.e., each half-point increment out of 10 equates to a three-quarter-point increment out of 15) such that closely performing Proposals could still demonstrate some distinction and separation in scores.

Similarly, as evaluators were instructed to form scores according to base-10, they were also encouraged to use the entire range between 0 and 10 as a means to encourage separation between scores.

Notwithstanding the quantitative guidance and instructions given, consideration had to also be given to the inherent “human nature” matter of some individuals being naturally more, or less, lenient in their scoring than others. This was captured at the outset of the consensus meetings wherein the evaluators first reached consensus on what score level would represent a “satisfactory” outcome and this measure was upheld as the consistent standard against which all consensus scoring was gauged.

3. **Consistency of approach** – Recognizing that at the end of the RFP process the City would need to clearly demonstrate to each Proponent why they were or were not identified as the Preferred Proponent, the evaluation team took careful measure to ensure that the review approach and scoring rationale would be highly defensible and consistent across all Proposals.

Key to achieving this outcome would be to ensure that Proposals were evaluated and scored against the criteria and not relative to each other. Framing this mindset began with the evaluator training and carried forward in further detail through the evaluation framework manual and evaluation worksheets. At the consensus meetings, the evaluation team strictly followed the workflow established by the evaluation worksheets for each of the three scored sections – Development Plan, Urban Innovation, and Implementation Plan. The team went through the worksheets line item by line item for each of the technical indicators and decision drivers criteria, with each evaluator providing commentary on notable positive features and/or material omissions or concerns.

This was followed up with a discussion about appropriate scores relative to the consensus “satisfactory standard” as described above. A summary of the most prominent strengths and areas for improvement, which formed the basis of the consensus score, were then summarized and noted.

While at no time did the evaluators engage in discussions comparing the merits of one Proposal against another, the evaluators were careful to ensure that the underlying approach to applying merits and demerits to the scoring rationale was consistently and fairly applied (i.e., if a specific identified risk was reason to demerit one Proposal, the

same must also demerit any other Proposal in equal measure where present in relatively equal measure).

The presence of the Non-Evaluating Chair, a senior member of the City’s Procurement Section, and the Fairness Monitor throughout all consensus meetings ensured that the evaluation team’s approach was consistently applied and fair to all Proponents.

### 3.3 Key Assumptions and Instructions

Notwithstanding the “desired outcomes, not prescribed tactics” maxim, given the complexity of the site and the fluid statuses with respect to ongoing land development activities, it was critical for the City to establish a set of base assumptions to ensure that Proposals could be somewhat comparable at the evaluation stage. To that end, project Staff laid out a number of Base Assumptions that, for the purposes of preparing an RFP response, Proponents were directed to reflect in their Proposals. This list was updated regularly via addendum in the event that a clarification question created a new assumption for consideration. A full listing of Base Assumptions can be found within the Terms of Reference of the RFP and by reviewing all issued Addenda. Below is a synopsis of the most salient guidance provided:

1. **Planning Policies** – From the outset of the solicitation process, including during the RFQ phase, the City has maintained a firm commitment to Setting Sail’s planning policy framework, while also noting the atypical inclusion of height and density permissions specified at this secondary plan level (heights and densities would typically be found at the zoning by-law level). As such, any desired change to land use, height, or density policy would require an Official Plan Amendment (OPA) to enact. The RFP went so far as to preclude any OPAs such that requirement of an OPA to realize the proposed development would render the Proposal non-compliant and disqualified from the RFP.

Furthermore, although the Draft Plan of Subdivision and associated Zoning By-law Amendment 17-095 are currently under appeal with the Ontario Municipal Board (OMB), Proponents were directed to assume that those policies would be effective on the Subject Lands as they are reflective of the City’s intent as approved by Council.

For the purposes of the RFP, Proponents were given latitude to identify instances where a minor variance or zoning amendment may be required. These identified items were evaluated by the RFP project’s planning subject matter expert to confirm compliance with the “no OPA” requirement.

2. **Delivery of Lands** – Proponents were directed to assume that the Subject Lands would be delivered in the following condition:
  - a. With registered titles for each Block in accordance with the Draft Plan of Subdivision;
  - b. With site-specific Zoning By-law Amendment 17-095 in force;

- c. A fully serviced road network complete with pre-grade service connections to each Block; and
- d. A Record of Site Condition filed for the entirety of Pier 8, with Certificates of Property Use issued by the MOECC for each Block.

For the purposes of devising their Proposals, Proponents were directed to assume that the above would occur by Q1 2019. Pending the progress of the outstanding OMB appeal of the Draft Plan of Subdivision, this date may be adjusted, along with other contingent dates, within the finalized Development Agreement.

3. **Affordable Housing Guideline** – In accordance with Council’s approval of GIC Report 16-028, a motion was made that the RFP evaluation criteria “...shall include a defined target of not less than five percent (5%) of affordable home-ownership units...”. The RFP used the City’s Municipal Housing Facilities By-law (No. 16-233) definition for Affordable Home Ownership. By subsequent amendment, the RFP further permitted the 5% threshold to similarly apply to rental tenure units, again using By-law No. 16-233 to provide the definition for Affordable Rental Units. While no preference was given to either tenure or concentration of the affordable housing units, Proposals that deferred the affordable units until the late stages and/or requirements for City resources to administer (e.g., City Housing Hamilton), were viewed less favourably.
4. **Parking Strategy** – Proponents were given copies of the City’s West Harbour Waterfront and Pier 8 Parking Strategy report prepared by IBI Group (Sept. 2017), and were directed assume that parking for the entire Pier 8 development (all uses and applicable ratios) must be provided for on-site without any shortfall. Furthermore, Proponents were directed to assume that any Blocks not yet acquired would likely be required by the City for its own public parking requirements as an interim solution until a final parking strategy is identified and executed by the City. A Proposal that required the use of City-owned Blocks to accommodate its own parking needs was viewed less favourably as it may conflict with the City’s requirements.
5. **The Greenway** – While the lands associated with the Greenway are to remain in the City’s ownership, Proponents were given the responsibility to design and build the Greenway itself so that it can integrate both aesthetically and functionally with their respective building designs. Upon completion, the developer will be reimbursed for the design and construction costs in accordance with terms and conditions negotiated in the Development Agreement.
6. **Noise Pollution Control** – Council approved Staff’s recommendation in PED17074 that the Pier 8 lands be designated as a Class 4 area under the MOECC’s NPC 300, Environmental Noise Guideline. For the purposes of the RFP, Proponents were directed to assume that only “at receptor” mitigation measures available under NPC 300, rather than any “at source” measures, could be implemented. This guidance was meant to

eliminate any scheme that would be contingent on co-operation from the adjacent industrial users and subject to unknown costs at this time.

7. **Development Charges, Dedications, Incentive Programs** – Although the City typically offers financial incentive programs to help promote economic development activity and sustainable building and land development practices, given that the Subject Lands are being purchased from the City at a price dictated by the Successful Proponent, these financial incentive programs shall not apply to the Subject Lands – any financial support from the City would be implicit within the Financial Proposal. Specific exclusions apply to the LEED Grant Program and the suite of programs under the Environmental Remediation and Site Enhancement (ERASE) umbrella.

Furthermore, Proponents were directed to assume that development charges and parkland dedications would apply to the Subject Lands in accordance with the terms and conditions of the Draft Plan of Subdivision. The Draft Plan of Subdivision did not include a provision for dedications or cash-in-lieu funding of public art.

8. **Minimum Green Building and Design Guidelines (MGBDG)** – Staff established a site-specific set of guidelines that further the principles of the Pier 7+8 Urban Design Guidelines, with a specific emphasis on sustainable development. Proponents were directed to assume that inclusion of these design elements in their development plan will be confirmed at Site Plan approval for each Block and will be a condition of releasing the requested permits. This assumption led them to incorporate more accurate assumptions for building costing into their Financial Proposals.

9. **Material Encumbrances** – Proponents were directed to assume the following with respect to encumbrances on the lands:
  - a. That the Brewer’s Marine Building and Premises lease, which encumbers a large portion of Block 7, will not expire any earlier than its natural maturity date of November 22, 2025;
  - b. That the land lease with the Hamilton Waterfront Trust, which encumbers a large portion of the Subject Lands, will be terminated and dissolved prior to the project commencement date;
  - c. That the easement for the Sun-Canadian Pipeline will be redirected so as to be restricted to public rights-of-way and will no longer encumber the Subject Lands;
  - d. That the easement for the now decommissioned Imperial Oil Pipeline will be discharged from the title of the Subject Lands prior to the project commencement date.

10. **Additional Guidance re: Land Uses** – The City provided the following additional guidance with respect to certain land uses:
  - a. **Institutional** – The City did not specify a preference with respect to prospective uses for the Institutional Block 16. However, Proponents were advised to review the evaluation criteria related to Place-making that outlines how the uses within

the Institutional Block may be considered in the assessment of benefits for the City. Additionally, Proponents were directed to assume that no financial funding would be available for the construction of buildings or tenancing of Block 16; and

- b. **Hotel** – In accordance with Setting Sail subsection A.6.3.5.1.13, a hotel use is permitted in Medium Density Residential 2, Mixed Use, and Prime Retail designated areas, but not in Institutional areas. For the purposes of the RFP, the City outlined certain assumptions with respect to the allowable size and regulations for a proposed hotel at Pier 8.
11. **Obligations re: Special Conditions to Draft Plan of Subdivision** – Although the City is acting in the role of the applicant with regards to the Draft Plan of Subdivision and fulfilling many of the land developer’s obligations, Proponents were directed to assume that the Successful Proponent will practically need to take on some of those obligations, especially as they relate to conditions surrounding the obtaining of permits and completing construction and occupancy. These obligations were identified from the Special Conditions of Draft Plan of Subdivision Approval as outlined in Staff Report PED17074.

## 4 Financial Proposal Evaluations

### 4.1 Structured Payment Process

As elaborated in Staff Report PED14002(f), the Financial Proposal portion of RFP submissions were required to follow a defined deal and payment structure as illustrated and described in Figure 3 below where the total financial payments made by the Successful Proponent to the City shall be the sum of:

- a. The Upfront Payment (i.e., A); plus
- b. the sum of all Minimum Purchase Prices (i.e., B1 + B2 + B3 + B4 + B5 + B6 + B7 + B8 + B9); plus
- c. the proposed FMV Share, expressed as a percentage rate, of any positive difference between each Block’s FMV and MPP (i.e., FMV Share % x ((C1-B1) + (C2-B2) + (C3-B3) + (C4-B4) + (C5-B5) + (C6-B6) + (C7-B7) + (C8-B8) + (C9-B9)); and plus
- d. the VAS Rate Methodology applied to each building built.

**Figure 3: Financial Proposal Submission Instructions**

	(A) Upfront Payment	(B) Minimum Purchase Prices (MPP)		(C) Fair Market Value Share Payment	(D) Value-Add Share (VAS)
Block Number	\$ Amount	\$ Amount	Target Closing Date (dd/mm/yyyy)	% Share of FMV Spread Over MPP	% of Valuation Basis
1	Proposed one-time payment, not less than \$1 Million	Future Value (B1)	(dd/mm/yyyy)	Proposed share of the positive difference between the Fair Market Value and MPP for each Block payable to the City	Percentage of gross sales revenue and/or percentage of an income producing property stabilized value, for each building built
2		Future Value (B2)	(dd/mm/yyyy)		
3		Future Value (B3)	(dd/mm/yyyy)		
4		Future Value (B4)	(dd/mm/yyyy)		
5		Future Value (B5)	(dd/mm/yyyy)		
6		Future Value (B6)	(dd/mm/yyyy)		
7		Future Value (B7)	(dd/mm/yyyy)		
8		Future Value (B8)	(dd/mm/yyyy)		
16		Future Value (B9)	(dd/mm/yyyy)		



Financial Bids for the above inputs were made using the Bid Form 2 template provided by the City. Please see Page 41 at the back of this report for a copy of the Bid Form 2 template.

The financial arrangement is structured in such a way that the City will receive a portion of the payment upfront and several portions throughout the project horizon that will allow the City to participate in value uplifts over time. The following steps describe how the various payments will be calculated and disbursed to the City (each payment segment highlighted in bold).

1. An **Upfront Payment will be made on the Commencement Date**, or other agreed upon date, and held in escrow until the City fulfills its obligations clearing the way for delivery of the Subject Lands (e.g., Record of Site Condition, OMB appeal, clearing of encumbrances, etc.)
2. Developer will draw down each Block on the respective date as indicated within their Proposal:
  - The **Minimum Purchase Price will be paid to the City** in accordance with the amounts indicated within their Proposal; and
  - The developer will be given title possession of the Block.
3. Developer will submit a Site Plan Application within a specified window of time as agreed in the Development Agreement. If the application is unreasonably delayed, a financial penalty will begin to accrue according to terms and conditions as agreed in the Development Agreement.
4. City will review the Site Plan Application in accordance with standard practices including requirements for Design Review Panel input.
5. Developer will be responsible for taking the land through any minor variance or re-zoning process as required.
6. At issuance of a conditional Development Permit, the land will be independently appraised at fair market value reflecting the precise permissions granted by the Development Permit.
7. The Fair Market Value Share rate (as indicated in the developer's Proposal) will be applied against any positive difference between the appraised value less the Minimum Purchase Price, and such **Fair Market Value Share amount will be paid to the City**. For example, if the Minimum Purchase Price paid for a Block was \$400 and the Block was eventually appraised at \$1,000, at a 50% share rate, the payment would be \$300 (i.e.,  $(\$1,000 - \$400) \times 50\%$ ), and at a 90% share rate, the payment would be \$540;
8. Following waiver of conditions on the Development Permit, final building permits will be issued and construction will be completed through to occupancy and stabilization. The City's typical inspection, regulation, and occupancy permit protocols shall apply.
9. Following a sufficient stabilized operation period, the **Value Add Share will be calculated and paid to the City**:
  - For condominium properties – a percentage of gross sales revenues will apply as quoted in their Proposal. An auditing protocol will be established in the Development Agreement.

- For rental properties – a percentage of capital value of the income property will apply as quoted in their Proposal. A valuation protocol will be established in the Development Agreement.

10. Repeat Steps 2 to 9 for each Block.

The financial outcome for the City will be equal to the sum of all payments received over the horizon of the project. Given the structured methodology, this total amount will not be definitively known until the project is complete and the final payment received. What we do know today, however, are each Proponent’s guaranteed payment amounts (i.e., columns A and B from Figure 3 above) and their respective anticipated dates, as well as each Proponent’s willingness to share variable outcomes with the City.

The last evaluative variable to bear in mind is the impact of the “time value of money” concept, which postulates that a dollar guaranteed today is worth more than a dollar promised for the future, given the spending or investing options that the guaranteed dollar affords today, as well as the reduced exposure to default risk over time. As such, payments proposed in each Proponent’s deal structure that are anticipated to be received earlier have greater value than those that are promised at a later date, even though later amounts may have a greater face value.

#### **4.2 Compliance Checks and Evaluation Methodology**

The Financial evaluation employed the use of a proprietary computer-based financial model. Led by the RFP Project Team and developed with the assistance of Deloitte’s National Real Estate consulting team, this sophisticated model was designed to assign an objective notional numerical value to each Proposal, reflecting the projected financial value for the City over the duration of the development. Although the model was customized in each case to adjust for the specific variations presented in each of the respective proposed development plans of the four individual Proposals, the valuation model was based on a set of clear and market-based financial benchmarks, which were disclosed to Proponents in advance of the Proposal submission deadline. The model was applied consistently across all four Proposals, resulting in an objective evaluation that upheld the principle of fairness and reflects an acceptable methodology from a real estate and development industry perspective.

The model analyzed the numerical inputs provided by the Proponent using Bid Form 2, and in accordance with their respective Technical Proposal, and distilled the bid into a single value that could be compared on a standardized basis across all proposals. Please Pages 39 to 41 at the back of this report for a copy of Bid Form 1 and Bid Form 2 templates. Bid Form 1 reflected the technical specification features of the Development Plan, while Bid Form 2 reflected the inputs that would be analyzed by the Financial Proposal Evaluation Model.

The Financial Proposal evaluation included a compliance check that compared details from Bid Form 1 and Bid Form 2 (e.g., floor areas, land uses, etc.) to ensure that what was proposed in

the Technical Proposal was consistent with the basis upon which the Financial Proposal was being presented. Additional Financial Proposal compliance checks included:

1. Proposal does not suggest a single, upfront payment in exchange for title conveyance of all Development Blocks in a single transaction (per Council approval of recommendations found in PED14002(f));
2. An Upfront Payment of not less than \$1,000,000 (per RFP instructions); and
3. A Fair Market Value Share rate of not less than 50% (per RFP instructions).

Upon passing all compliance checks, each Financial Proposal’s Bid Form 2 variables were transposed into the Evaluation Model to produce a notional financial bid value, taking into account the time-value-of-money principle. As previously described in this report, the allotment of the 40 potential points for Financial Proposal was calculated on a relative basis in comparison to the Financial Proposal exhibiting the highest notional financial bid value.

In the spirit of fairness and transparency, the City had previously disclosed by way of written addendum, a detailed description of the Evaluation Model’s underlying mechanics, as well as a signification portion of the underlying standard assumptions, including time value of money variables. These disclosures not only ensured that Proponents understood the influence of each assumed variable, but they could also make any necessary adjustments to their own proposed inputs in cases where their own assessment of property values might materially deviate from the assumptions applied in the City’s evaluation of their Financial Proposal.

## Technical Proposal Evaluation Worksheet

**PIER 8 RFP EVALUATOR WORKSHEET: W-2  
TECHNICAL PROPOSAL EVALUATION**

Proponent Team Name: \_\_\_\_\_

**A1. DEVELOPMENT PLAN**

<b>(i) COMPREHENSIVENESS TESTS</b>				
<b>To what extent does the Proposal explicitly attempt to address the following considerations...?</b>	<b>Fully</b>	<b>Partially</b>	<b>Missing</b>	<b>Comments</b>

**Plan Overview and Design Excellence**

Alignment with the City’s vision and guiding principles				
The design concept relates to the overall contexts as laid out in Setting Sail, West Harbour Waterfront Recreational Master Plan, and Pier 7+8 Urban Design Study				
Presents a thoughtful strategy to integrate with surrounding existing residential, recreational, and industrial areas				
The plan leverages, complements and enhances the adjacent public recreation areas				
Articulates a strategy to address and mitigate the potential negative impacts of the adjacent industrial uses				
Demonstrates an integrative approach to the City’s transportation strategy for the North End neighbourhood and beyond				
Creates a cultural link to Hamilton and the Waterfront’s history and future				
Extent to which the plan exceeds minimum AODA requirements				
Extent to which the plan reflects a commitment to barrier-free design, universal design, inclusive design, and crime prevention through environmental design (CPTED) for both interior and exterior spaces				
Addressing site challenges (e.g., water table, noise attenuation, etc.) through creative design, engineering, and/or site planning				
A workable parking configuration accommodated within the proposed Development Plan (legislated requirement is a compliance issue dealt with in worksheet W1a)				

**Residential Program**

Extent to which the proposed residential program exceeds the City’s minimum affordability targets				
For the affordable housing units, creativity and practicality of solution to ensure the continuity of affordability beyond the initial homeowner				
Market rationale demonstrates a sound understanding of Hamilton’s market dynamics				
Housing mix addresses the needs of a broad range of incomes, lifestyles, and household configurations				
Housing mix is family-friendly - notable percentage of larger units and features (storage, family amenities, additional bathroom)				
Building and unit typologies address issues such as accessibility and aging populations (including aging-in-place)				
Strategies to achieve diversity of target market segments is clearly foundational to the program				

**PIER 8 RFP EVALUATOR WORKSHEET: W-2  
TECHNICAL PROPOSAL EVALUATION**

Proponent Team Name: \_\_\_\_\_

**Place-making**

Overall plan is inviting to both nearby residents and visitors alike				
Overall plan is appealing to a wide range of demographics				
Retail strategy strikes a balance between local residents’ and visitors’ needs				
Extent to which a clear vision is proposed for the institutional site that integrates it with the neighbourhood				
Strategies promote year-round, ground-floor animation				
Proposed Pier 8 scheme leverages, complements and enhances the adjacent public recreation areas				
Proponent is willing to maintain a long-term commitment to the retail and institutional premises				
Proposed development enhances, and does not detract from, the public realm experience				
The private development provides semi-public and/or community amenities				

**Environmental Sustainability**

Demonstrates a firm understanding of site characteristics to be considered in the overall design for environmental sustainability				
Extent to which the Proponent intends to exceed the minimum LEED certification level (minimum = "LEED Certified")				
Extent to which targeted LEED credits are a direct result of proactive actions to be taken by the Proponent rather than inherent characteristics of the site and/or actions being taken by the City				
Extent to which the Proponent intends to exceed the minimum energy efficiency performance standard set by the NECB 2015 benchmark (minimum = "not greater than 100% of NECB 2015 energy cost")				
Extent to which renewable energy sources are employed				
Extent to which the Proposal intends to exceed the Minimum Green Building and Design Guidelines (Appendix F) or have not been met				
Relatively simplicity and affordability of the long-term operations and maintenance of the proposed features				
Extent to which the proposed sustainability measures promote the health and well-being of building occupants and users				
Proposed design and progress reporting process that is inclusive of the City as a stakeholder (i.e., participation, decision-making approaches, and progress reporting)				

<b>(ii) CRITERIA FULFILLMENT</b>						
<b>To what extent does the Development Plan succeed in achieving the following project objectives and desirable outcomes?</b>	<b>Poor</b>	<b>Satisfactory</b>	<b>Very Good</b>	<b>Excellent</b>	<b>Not Applicable</b>	<b>Comments</b>

**PIER 8 RFP EVALUATOR WORKSHEET: W-2  
TECHNICAL PROPOSAL EVALUATION**

Proponent Team Name: \_\_\_\_\_

A vibrant, mixed-use community that enhances the area while respecting the existing neighbourhoods						
An animated waterfront that offers a comprehensive cultural, recreational and retail experience for residents and visitors alike						
Enhanced physical and visual connections to the harbour and increased public access to the water’s edge						
A community that is planned, designed, and built to support a multi-modal transportation system that integrates with the rest of the City’s network						
A community that is inclusive of a diverse range of incomes, household configurations, and lifestyles						
A community that stands as a model of excellence in the fields of design, sustainable living, accessibility, and environmental conservation						
Consistency with established policies, vision, and Council directives						
Creative and strategic approach to all aspects of the Development Plan and delivery model						
Social, environmental and economic benefits for the City						
Balance between innovation and ease of execution						
Long-term commitment to the site and thoughtful approach to unanticipated changes (i.e., change management strategy)						
Cooperative / collaborative approach to relations with the City administration and the general public, including community and special interest groups						
Overall financial value for the City						
Fair and equitable risk-reward sharing model with the City						

<b>(iii) SUMMARY OF DEVELOPMENT PLAN STRENGTHS AND AREAS FOR IMPROVEMENT</b>	
<b>Strengths:</b>	<b>Areas for Improvement:</b>

<b>CONSENSUS DEVELOPMENT PLAN SCORE (0 to 10, half-point increments)</b>	
<b>WEIGHTED TO MAXIMUM 30 POINTS</b>	

**PIER 8 RFP EVALUATOR WORKSHEET: W-2  
TECHNICAL PROPOSAL EVALUATION**

Proponent Team Name: \_\_\_\_\_

**A2. URBAN INNOVATION**

**(i) COMPREHENSIVENESS TESTS**

To what extent do the proposed urban innovations explicitly attempt to address the following considerations...?	Fully	Partially	Missing	Comments
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**Urban Innovation**

Directly addresses a defined problem				
Extent to which proposed elements would benefit the immediate neighbourhood socially, economically, or environmentally				
Extent to which proposed elements would benefit the entire City socially, economically, or environmentally				
The overall scale of an innovative plan element and/or the collective impact of all proposed innovative plan elements promotes a cohesive vision or model of modern urbanism				
Has some degree of precedence and past proven success				
Balanced risk-return profile between higher-impact/cutting-edge and lower-impact/proven results				
Ease of implementation including the degree of support or accommodation required from the City				
Extent to which proposed elements are committed, not conditional				
Extent to which an execution plan has been identified, including a commitment from said execution partners (as required)				

**(ii) CRITERIA FULFILLMENT**

To what extent does the Development Plan succeed in achieving the following project objectives and desirable outcomes?	Poor	Satisfactory	Very Good	Excellent	Not Applicable	Comments
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A vibrant, mixed-use community that enhances the area while respecting the existing neighbourhoods						
An animated waterfront that offers a comprehensive cultural, recreational and retail experience for residents and visitors alike						
Enhanced physical and visual connections to the harbour and increased public access to the water's edge						
A community that is planned, designed, and built to support a multi-modal transportation system that integrates with the rest of the City's network						
A community that is inclusive of a diverse range of incomes, household configurations, and lifestyles						
A community that stands as a model of excellence in the fields of design, sustainable living, accessibility, and environmental conservation						
Consistency with established policies, vision, and Council directives						



**PIER 8 RFP EVALUATOR WORKSHEET: W-2  
TECHNICAL PROPOSAL EVALUATION**

Proponent Team Name: \_\_\_\_\_

Creative and strategic approach to all aspects of the Development Plan and delivery model						
Social, environmental and economic benefits for the City						
Balance between innovation and ease of execution						
Long-term commitment to the site and thoughtful approach to unanticipated changes (i.e., change management strategy)						
Cooperative / collaborative approach to relations with the City administration and the general public, including community and special interest groups						
Overall financial value for the City						
Fair and equitable risk-reward sharing model with the City						

<b>(iii) SUMMARY OF URBAN INNOVATION STRENGTHS AND AREAS FOR IMPROVEMENT</b>	
Strengths:	Areas for Improvement:

<b>CONSENSUS URBAN INNOVATION SCORE (0 to 10, half-point increments)</b>	
<b>WEIGHTED TO MAXIMUM 15 POINTS</b>	

**PIER 8 RFP EVALUATOR WORKSHEET: W-2  
TECHNICAL PROPOSAL EVALUATION**

Proponent Team Name: \_\_\_\_\_

**A3. IMPLEMENTATION PLAN**

**(i) COMPREHENSIVENESS TESTS**

To what extent do the proposed Implementation Plan explicitly attempt to address the following considerations...?	Fully	Partially	Missing	Comments
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**Ownership and Financing**

Degree of commitment indicated in the lender’s letter				
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**Project Delivery**

A thorough list of disciplines identified and team members have been named for each				
Extent of commitment to hiring local labourers				
Extent to which the articulated fair wage policy and fair wage schedule is aligned with the City’s Fair Wage Schedule				
Extent of commitment to using local materials suppliers				
Extent to which the trades and construction strategy limits potential downtime and cost inflation				
Extent to which the phasing / projected draw-down schedule promotes a timely approach to full build-out				
Extent to which the phasing plan aligns to a thoughtful place-making strategy				
Extent to which the phasing as strategy contributes to solution for dealing with adjacent industrial uses				
Extent to which the proposed phase-in schedule prioritizes the public’s interests				
Extent to which the proposed phase-in schedule is compatible with the City’s Waterfront Parking Strategy				
Extent to which additional site investigations required will be intrusive to the Subject Lands and/or may impair the future value of the lands				
Plan for environmental site remediation is compatible with the Risk Assessment and Risk Management Plan as being carried out by the City, with minimal change in approach required				
Construction staging does not unreasonably constrain the City’s right to use the undeveloped Blocks for its own requirements				
Extent to which the proposed Block phasing plan has taken the effective encumbrances in to account in order to minimize negative impacts on the Financial Proposal				
Extent to which the Development Plan as presented is fully committed (i.e., limited conditional elements)				

**Project Stewardship and Change Management**

**PIER 8 RFP EVALUATOR WORKSHEET: W-2**  
**TECHNICAL PROPOSAL EVALUATION**

Proponent Team Name: \_\_\_\_\_

Proposed change management framework remains focused on meeting project objectives while being flexible enough to accommodate a range of “known unknowns” as well as “unknown unknowns”				
Extent to which the Successful Proponent’s project management and decision-making framework is integrated with the proposed City-relationship governance structure				
Well-articulated plan to engage with the local community and all Hamiltonians as they progress their plan				
A strategy that demonstrates the Proponent’s commitment to the stewardship and operation of completed phases				
A fair and equitable approach to project and outcomes monitoring				
Extent to which the proposal today is prepared for potential future risks				
Extent to which the proposal today is prepared for potential future opportunities				
Creativity in suggested risk mitigation and opportunity exploiting strategies				

**(ii) CRITERIA FULFILLMENT**

<b>To what extent does the Implementation Plan succeed in achieving the following project objectives and desirable outcomes?</b>	<b>Poor</b>	<b>Satisfactory</b>	<b>Very Good</b>	<b>Excellent</b>	<b>Not Applicable</b>	<b>Comments</b>
A vibrant, mixed-use community that enhances the area while respecting the existing neighbourhoods						
An animated waterfront that offers a comprehensive cultural, recreational and retail experience for residents and visitors alike						
Enhanced physical and visual connections to the harbour and increased public access to the water’s edge						
A community that is planned, designed, and built to support a multi-modal transportation system that integrates with the rest of the City’s network						
A community that is inclusive of a diverse range of incomes, household configurations, and lifestyles						
A community that stands as a model of excellence in the fields of design, sustainable living, accessibility, and environmental conservation						
Consistency with established policies, vision, and Council directives						
Creative and strategic approach to all aspects of the Development Plan and delivery model						
Social, environmental and economic benefits for the City						
Balance between innovation and ease of execution						
Long-term commitment to the site and thoughtful approach to unanticipated changes (i.e., change management strategy)						
Cooperative / collaborative approach to relations with the City administration and the general public, including community and special interest groups						

**PIER 8 RFP EVALUATOR WORKSHEET: W-2  
TECHNICAL PROPOSAL EVALUATION**

Proponent Team Name: \_\_\_\_\_

Overall financial value for the City						
Fair and equitable risk-reward sharing model with the City						

**(iii) SUMMARY OF IMPLEMENTATION PLAN STRENGTHS AND AREAS FOR IMPROVEMENT**

<p><b>Strengths:</b></p>     	<p><b>Areas for Improvement:</b></p>     
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<b>CONSENSUS IMPLEMENTATION PLAN SCORE (0 to 10, half-point increments)</b>	
<b>WEIGHTED TO MAXIMUM 15 POINTS</b>	

PIER 8 RFP EVALUATOR WORKSHEET: W-2  
TECHNICAL PROPOSAL EVALUATION

Proponent Team Name: \_\_\_\_\_

**TOTAL TECHNICAL PROPOSAL SCORE**

CONSENSUS TECHNICAL PROPOSAL SCORE WEIGHTED TO MAXIMUM 60 POINTS	
BENCHMARK PASS / FAIL (BENCHMARK IS 30 OUT OF 60)	

Technical Proposal Evaluator Names:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Technical Proposal Evaluator Signatures:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

## Bid Forms

**BID FORM 1: DEVELOPMENT PLAN TECHNICAL SPECIFICATIONS**  
**PIER 8 DEVELOPMENT OPPORTUNITY**  
**REQUEST FOR PROPOSALS (C11-66-17)**  
**REVISED: February 22, 2018 (Addendum 13)**

Development Block Land Use	1	2	3	4	5	6	7	8	16
	Medium Density Residential	Medium Density Residential	Mixed Use	Medium Density Residential + Prime Retail	Medium Density Residential + Prime Retail	Mixed Use	Medium Density Residential + Prime Retail	Medium Density Residential	Institutional
Number of Buildings									
Maximum Height of Tallest Building (storeys)									
Gross Floor Area (square metres)									
Estimated Site Coverage (%)									
Total Residential Unit Counts	-	-	-	-	-	-	-	-	-
Market Units	-	-	-	-	-	-	-	-	-
Studio / Bachelor									
1 bedroom									
2 bedroom									
3+ bedroom									
Live / work									
Affordable Units	-	-	-	-	-	-	-	-	-
Studio / Bachelor									
1 bedroom									
2 bedroom									
3+ bedroom									
Live / work									
Total Residential Unit Floor Area (GFA square metres)	-	-	-	-	-	-	-	-	-
Studio / Bachelor									
1 bedroom									
2 bedroom									
3+ bedroom									
Live / work									
Total Non-Residential Floor Area (GFA square metres)	-	-	-	-	-	-	-	-	-
Retail									
Office									
Institutional / Community									
Other (specify)									
Total Parking Stall Count	-	-	-	-	-	-	-	-	-
for Occupants (reserved)									
for Visitors of Occupants									
for Commercial									
for General Public (no minimum required)									

I/We hereby certify that the details provided in this Bid Form 1, accurately reflect, to the best of our ability, the intended values related to the Development Plan as further specified in our Proposal in response to RFP C11-66-17. In the event of any discrepancy between the written Proposal and this Bid Form, the information contained in this Bid Form shall supersede.

**Proponent Name**  
\_\_\_\_\_

**Signature:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

I/We have the authority to bind the Proponent

**Proponent Name**  
\_\_\_\_\_

**Signature:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

I/We have the authority to bind the Proponent





I/We hereby certify that the details provided in this Bid Form 2, accurately reflect, to the best of our ability, the intended values comprising our Financial Proposal in response to RFP C11-66-17. In the event of any discrepancy between the written Proposal and this Bid Form, the information contained in this Bid Form shall supersede.

**PROPONENT NAME:**  
\_\_\_\_\_

**Core Team Member 1**  
**Company Name:**  
\_\_\_\_\_

**Signature:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

I/We have the authority to bind the company

**PROPONENT NAME:**  
\_\_\_\_\_

**Core Team Member 2**  
**Company Name:**  
\_\_\_\_\_

**Signature:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

I/We have the authority to bind the company