



Specifications

Request for Expression of Interest

**Provision of community housing
for older persons, Mangawhai**

Closing Date: Friday 20 December 2019

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Part A

Background

and

Indicative Request for Expression of Interest Programme

Part A – Background and Indicative Request for Expression of Interest Programme

1 Background

At Fagan Place in Mangawhai, Kaipara District Council (Council) owns 24 self-contained Community Housing Units (CHUs) (12 duplex) on Lot 7 DP 126655 and Lot 1 DP 436430, with a land area of 2.2752 hectares (the Property). Like many other local authorities with similar community housing portfolios, although routinely maintained, the units have been managed relatively passively as assets by Council over the years since originally constructed in the early 1980's. The units are occupied 100% of the time.

The current rent paid by tenants is significantly lower than market rates and consequently there is only funding for repairs and maintenance but not capital renewals. There are also 10 newer units built on the land in 2010 which are not owned or managed by Council and this part of the land is leased by Council to a Community Housing Provider (CHP) which then subleases to Housing New Zealand who directly manage the 10 units.

Council's Long Term Plan 2018/2028 Consultation document; A Bright Future said:

The condition of the Mangawhai units means they are close to the end of their lifecycle. The ability to keep these units at an affordable rental, that will allow them to be self-funding with no general ratepayer support, will compromise the level of refurbishment that is possible and therefore the quality of the accommodation. The utilisation of the site at Mangawhai does not maximise either the full potential of the land use or the available housing units. Council considers that its role in community housing should be to facilitate but not be directly involved in the operations. One option Council wants to look at, is redesigning its footprint in Fagan Place, Mangawhai to ensure continuity of the current housing capacity, whilst freeing up the available land for alternative uses. This could involve the sale of some land or working with a developer to bring investment into the housing stock and provide alternative benefits to the community. The well-being of existing residents and those affected by any change needs to be actively supported during this process.

2 Rationale

The provision of community housing need to be self-funding with no ratepayer support. The Ministry of Social Development's (MSD) Income Related Rent Subsidy (IRRS) can provide a market rent to help towards ensuring long term costs are met. However, IRRS is not available to Council, but can be accessed by CHP's.

3 Scope of Request for Expression of Interest (REOI) Process

This REOI is open to CHPs that are registered with the Community Housing Regulatory Authority (CHRA) or to those that can be registered. Council is not seeking to transfer the existing buildings so

preference will be shown for applications from organisations that indicate they will protect the interests of existing tenants and can demonstrate their intention to develop a portfolio of a minimum of 24 new affordable housing units, that consider the New Zealand urban design protocol, at no cost to Council. This could be either on the existing site or alternatively elsewhere in Mangawhai.

The REOI process is being undertaken on the basis set out in Part B of this document.

4 Indicative REOI Programme

The following is an indicative REOI programme that Council presently intends to follow. Council may modify the steps and/or dates at any time at its discretion including terminating the process.

Note that time has been allowed for parties/organisations to meet with Council staff to discuss the proposals.

REOI Programme

Activity	Dates
Issue REOI	4/11/2019
Acknowledgment forms returned	18/11/2019
Meet with REOI participants for briefing, site visit and clarification of any questions (if requested)	2/12/2019
Closing date for service provider feedback/clarifications	11/12/2019
Closing date for receipt of REOI responses	20/12/2019
Evaluation period commences	06/01/2020
Preferred options identified (if any)	24/01/2020
Evaluation period concludes	10/02/2020
Participants provided with interim feedback	28/02/2020

Please Note: There should be no attempt to visit the Community Housing Complex without first receiving permission from Kaipara District Council.

Part B

Expression of Interest Requirements

Part B – Expression of Interest Requirements

5 Value for ratepayers

The provision of community housing need to be self-funding with no rate payer support. MSD's IRRS could provide a market rent to help towards ensuring long term costs are met. However, IRRS is not available to Council, but can be accessed by CHPs. It is expected that any proposal to utilise Council land (lease or purchase) either in Fagan Place, Mangawhai or elsewhere will be on negotiated terms.

6 Acknowledgement

The participant is required to acknowledge receipt of this REOI and to agree to the basis upon which the REOI process is being undertaken by completing the acknowledgement form attached as Schedule 4, Part C to this REOI, and returning it to the address set out on the form prior to 15 November 2019.

The participant will advise on the acknowledgement form the name and address of the person(s) authorised to communicate with Council on behalf of the participant in relation to this REOI. The participant acknowledges that Council shall not be obliged to deal with any person(s) other than the person(s) so authorised.

Participant to inform themselves fully

Every REOI submission must be made on the basis that the participant acknowledges that:

- a) This REOI does not, and does not purport to, contain all the information that participants may need in making decisions about or relating to its REOI submission; and
- b) Council is not responsible for any costs or expenses incurred by the participant or any other person in responding to or taking any other action in relation to this REOI.

The information provided in this REOI and the requirements and obligations detailed in the services are based on assumptions made by Council about future requirements, which may or may not prove correct in practice. The participant must make, and base, any REOI submission entirely on its own independent assessment of future concession service requirements and opportunities.

Any information whatsoever provided by Council to participants has been provided to assist participants in preparing the REOI submission, and Council does not represent or warrant the completeness or accuracy of such information.

7 Communications, Additional Information and Clarifications

All communications as to this REOI or requests for clarifications or further information should be directed to the REOI Administrator who is Council's authorised representative.

The REOI Administrator contact details are as follows:

John Burt
Property and Commercial Advisor
Kaipara District Council
Private Bag 1001
Dargaville 0340

Telephone (09) 439 3123

Fax (09) 439 6756

Email: Council@kaipara.govt.nz

- Requests for clarification or additional information must be made in writing and submitted to the REOI Administrator;
- No other Council employee, contractor or elected representative may be contacted concerning any aspect of this REOI process without the prior express written permission of the REOI Administrator;
- Unless expressly advised otherwise, no person other than the REOI Administrator has any authority to provide information to participants or answer questions in relation to the REOI process;
- Any instruction or information resulting from enquires by the participants may, at Council's absolute discretion, be issued in writing to all participants in the form of an explanatory notice which will then become part of the REOI documents;
- During the evaluation period, Council may request to meet with participants to clarify any point of their REOI submission or require further information;
- Whether any such meeting is called is at the sole discretion of Council;
- Participants agree not to raise any claims or allegations against Kaipara District Council that they have been disadvantaged by any lack of information provided to them, or any ambiguities in information provided to them as part of this REOI process;
- The information furnished in the REOI submission and during any interviews (if any) will be used in assessing the participant's suitability to participate in any subsequent process (if any is undertaken following the REOI process). Notwithstanding any other requirements of this REOI, Council may require the participant to submit additional information to allow further clarification of the participants REOI submission; and
- Should the participant fail to submit any of the information so required by the date and time stipulated by Council, the REOI submission may be rejected, without consideration or considered and rejected due to lateness.

8 Form of REOI Submission

Whilst the detailed structure of the REOI submission is not mandated, the following detailed information should be included in the REOI:

To evaluate whether parties have the capability and capacity required and how they intend to manage the portfolio, each respondent will need to answer all questions below in full. Each question must be answered independently. If you do wish to attach information, please clearly mark the question it relates to.

A Organisation Profile

- A.1 Legal name of organisation.
- A.2 Letter or evidence confirming CHRA registration as Class 1 Social Landlord (if not currently registered, include a statement about your intention to register and anticipated timeframe).
- A.3 Trust Deed, Constitution or other founding documents.
- A.4 Profiles of Trustees or Board of Directors.
- A.5 Brief organisational description, including services provided, number of staff, location of operation.
- A.6 Most recent annual report.
- A.7 Most recent audited accounts.

B Relevant Experience and Track Record (weighting 20%)

- B.1 Current housing portfolio. Describe your organisation's housing portfolio including:
 - Description of your client group(s);
 - Number of houses you currently own and/or lease; and
 - The location of these houses (e.g. numbers of units and town/city).
- B.2 Tenancy and property management. Describe the policies and processes you have in place for the management of your houses and tenants.
- B.3 Support services. Describe the housing services and/or support provided to tenants in your homes.
- B.4 Local connections. Describe your current connections (if any) to the Kaipara district, including the provision.

C Proposal – Management of Community Housing Portfolio (weighting 30%)

- C.1 Tenancy management. Provide a description of how you intend to manage the tenants, including:
 - Managing the existing tenants;
 - Eligibility and prioritising vacant housing for new tenants; and
 - Rent setting policy.

- C.2 Provision of support Describe your plans for the provision of support for tenants.
- C.3 Asset management Provide a description of how you intend to manage the assets, including:
- Maintenance – responsive and planned; and
 - Capital upgrades.
- C.4 Plans for growth Describe your plans for the growth of your housing portfolio to meet future market demand, particularly where relevant to the Mangawhai area.
- D Proposal – Transfer Terms and Conditions (Weighting 50%)**
- D.1 Describe your proposal for provision of the portfolio, including:
- Provide an indicative ownership/management proposal (subject to due diligence);
 - Describe the basis for this indicative cost per housing unit;
 - State any terms and conditions your offer will be subject to;
 - State your proposed timeframe for the development of new units; and
 - State any financing requirements you have.
- D.2 Provide a ten year (or longer) cash flow to support your proposal.

General

- Participants should use easy to read structure, fonts and formatting that assist the evaluators to align submissions to the REOI objectives and evaluation criteria;
- Participants should take time to understand how they can assist Kaipara District Council to meet its objectives for the procurement of a Community housing provider and recommends effective use of an executive summary to illustrate their alignment to these objectives;
- Specific requirements:
- Contents page – maximum one A4 page;
- Executive summary – maximum two A4 pages;
- Organisation background and relevant experience – maximum two A4 pages plus appendices (if required);
- Options and recommendations – there is no limit to this section however Kaipara District Council expects this section to be no more than three A4 pages;
- Alignment to evaluation criteria – maximum three A4 pages;
- Participants must complete and return the acknowledgement and statement of departures;
- REOI submissions may be submitted jointly by two or more organisations;
- The REOI submission must be signed by an authorised signatory or signatories, where there is more than one participant, of the participant; and
- The REOI submission must be signed by an authorised signatory of the participant.

9 Submission of REOI Submissions

REOI submissions will be accepted up until the closing date. REOI submissions must be submitted by delivery to Kaipara District Council.

The address for delivery is:

Kaipara District Council
42 Hokianga Road
Dargaville 0310

There will not be a public opening of REOI submissions.

All REOI submissions received by Kaipara District Council, including any subsequent clarification, will be retained (and may be subsequently destroyed) by Kaipara District Council.

Participants must submit the following copies:

- An original and one identical copy of any REOI submission in hard copy (paper) format; and
- Participants must also submit a PDF electronic version of a size and format suitable for email.

REOI submissions must be enclosed in a sealed envelope endorsed with the following:

- Request for Expression of Interest for provision of Community Housing for older persons in Mangawhai
- Kaipara District Council
- Closing Date **4.00pm Friday 20 December 2019**
- Participants name(s), contact person details and address for communications
- REOI submissions sent by email may be accepted.

10 Evaluation Methods and Attributes

Method of evaluation

Subject to these REOI conditions, it is intended that REOIs shall be evaluated based on the information contained in Section 8.

11 Late Proposals

- Kaipara District Council reserves the right to consider late REOI submissions;
- Any REOI submission lodged after the closing date will be taken to be late;
- If an REOI submission is taken to be late, Kaipara District Council may, at its discretion, invite the participant to provide it with explanatory evidence as to the reasons for the delay;

- The decision to consider a late REOI submission or exclude it from consideration will generally be based on the circumstances surrounding the submission and the receipt of the late REOI submission; and
- An important issue for Kaipara District Council in this regard will be whether the participant is likely to have had an opportunity to obtain some unfair advantage from late submission.

12 Freedom of Information

Participants will be aware that the Local Government Official Information and Meetings Act 1987 (LGOIMA) gives members of the public rights to access official documents of Kaipara District Council. If a participant wishes to withhold any information provided as part of its REOI submission from the public it should clearly identify the areas not to be disclosed and identify the reasons for the withholding this information in terms of the LGOIMA.

13 Disclosure of Certain Information

Notwithstanding the above, the following information will be made publicly available:

- a) The names of the participants;
- b) Description of the provision the participants are proposing to provide; and
- c) Details of the REOI process, and any changes to the process.

14 Important Notices and Basis of Participation

This REOI is issued by Kaipara District Council.

This REOI is not an offer to enter into a contract.

The dates given are indicative dates only and it may be necessary to change these from time to time to ensure a fair and robust process. Kaipara District Council will endeavour to keep the participants advised of any changes as promptly as possible.

Kaipara District Council reserves the right to:

- Change the REOI process (including proposed evaluation methodology) at any time;
- Terminate the REOI process at any time;
- Not progress this REOI process through to the negotiation of supplier contracts;
- Waive any irregularities of informalities in the REOI process or in an REOI submission;
- Amend this REOI or any associated documents; and
- Accept or reject any REOI submission including tagged, non-conforming or alternative REOI submissions, and select any participant or other party (whether or not that party was involved in this REOI process) to proceed to the next phase, at its discretion.

The participant expressly agrees that:

- It did not use the improper assistance of Kaipara District Council employees or ex-employees, or information unlawfully obtained from Kaipara District Council in compiling its REOI submission;
- Any potential conflicts of interest have been fully disclosed in the REOI submission;
- It is responsible for all costs and expenses arising from or related to the preparation and lodgement of its REOI submission, any subsequent negotiation and other action or response in relation to this REOI;
- The granting of a contract does not negate the need to obtain a license or permit to operate or any requirements under any other Act e.g. Resource Management Act, Building Act etc.;
- No legal or other obligations shall arise between the participant and Kaipara District Council in relation to the conduct or outcome of the REOI process. It shall not have any rights against Kaipara District Council of any nature whatsoever arising from the REOI process and that accordingly, it shall not make any claim of any nature against Kaipara District Council (or any person associated with Kaipara District Council) any costs incurred in the REOI process or in respect of any lost expectation of profits;
- Following the REOI process Kaipara District Council may issue a Request for Proposal (RFP) for its preferred options, enter into negotiations with a preferred participant or participants or conclude this REOI process without any further action; and
- No public announcements or statements to the media or disclosure of any information received as a consequence of, or relating to the REOI process, may be made without the prior written consent of Kaipara District Council.

Due diligence

As part of the REOI process, the Council, and/or its advisors may carry out due diligence investigations of any participant that submits an REOI.

Each participant agrees to fully co-operate with any due diligence activities (including providing all information which may be requested).

Ethics

Participants must complete and submit the Conflict of Interest Declaration form set out in the REOI documents.

The Council reserves the right to exclude any participant from this REOI process if the Council becomes aware that the participant has:

- (a) Any undeclared conflict of interest.

- (b) Made any attempt to influence the outcome of the REOI process by canvassing, lobbying or otherwise seeking the support of any officers, consultants, advisors or elected representatives of the Council (whether before or after the issue of this REOI).
- (c) Engaged in any practice that gives or is intended to give one or more participants an improper advantage over any other participant.
- (d) Engaged in any practice that is illegal or which the Council considers to be unfair or unethical (including collusion and secret commission arrangements).

Part C Schedule 4 – Acknowledgement

Kaipara District Council

Request for Expression of Interest (REOI) for Provision of Community Housing for Older persons, Mangawhai

Expression of Interest Acknowledgement Form

- We acknowledge receipt of your REOI dated
- We acknowledge and agree to conform to the REOI process and accept the basis upon which Kaipara District Council is undertaking the REOI process as set out in the EOI.
- We nominate the following person(s) to communicate with Kaipara District Council on our behalf in relation to the REOI and our REOI submission:

Name of person(s):	
Position of person(s):	
Firm:	
Address:	
Telephone number:	
Facsimile number:	
For and on behalf of	

.....

Authorised signatory

.....

.....

Name of firm and name of authorised signatory

Please return this Acknowledgement Form by Monday 18 November 2019