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Item No. 11.1.4

**Halifax Regional Council
October 16, 2007**

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in black ink, appearing to read "Dan English", written over a horizontal line.

Dan English, Chief Administrative Officer

A handwritten signature in black ink, appearing to read "Wayne Anstey", written over a horizontal line.

Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: October 2, 2007

SUBJECT: RFP #07-139 Business Parks Functional Plan

ORIGIN

The approved 2007/2008 Operating Budget

RECOMMENDATION

It is recommended that Council award RFP #07-139, Business Parks Functional Plan to, Colliers International (Atlantic) Realty Advisors in the amount of \$108,181.56 (net HST included) with funding as per the budget implications section of this report.

BACKGROUND

Business Parks are major employment centres. Together, HRM Business Parks employ tens of thousands of people and are a major component of HRM's economic base. The continued development of business parks within HRM is vital to the economic future of the region and it is critical that HRM's business parks are provided with the necessary infrastructure and services to sustain their success and that there is a timely supply of sufficient serviced land and development opportunities to accommodate future expansion.

In 2006, HRM adopted the Regional Municipal Planning Strategy. An integral component of this regional plan is the identification of current and future employment nodes and supporting policies to direct future growth to these areas. To successfully implement the regional plan and build upon HRM's business planning and long-term capital investment planning, the preparation of a Business Park Functional Plan has been identified as a key implementation initiative. The functional plan will assess a variety of topics considered vital to the long term development and sustainability of the region's commercial/industrial base and serve as a strategic plan for the development and expansion of HRM business parks.

For Burnside and City of Lakes in particular, the generic I-2 Industrial Zoning of the park permits a wide range of permitted commercial, industrial, and institutional land uses which has contributed to land use compatibility issues as the market continues to evolve. The wide range of uses permitted to develop in the park also raises the concern that some of the lands currently reserved for industrial development will be eroded as higher end land users compete for the more strategically located parcels of land within existing industrially designated areas. The Functional Plan must identify ways and means under which a range of industrial uses, as well as general commercial and office uses can be developed in a manner that is consistent with the municipality's strategic economic growth objectives and servicing systems.

The functional plan will address the following current issues:

- ▶ As the economy continues to grow, and the municipality's commercial base expands, the pressures on the HRM's business parks to accommodate the demand for large serviced parcels and a range of business uses increases, making the importance of the role of HRM's business parks more significant and apparent;
- ▶ Development pressures around several of HRM's business parks require HRM to make long term strategic decisions now. For example, the recent development of the Dartmouth Crossing retail park will have major impacts on the future of Burnside that HRM must understand within the context of the development potential of Burnside so that decisions for the future can be made quickly; and
- ▶ Questions related to future demand for commercial/industrial land, optimum locations for the development of office space and the impact of future suburban business parks on the

continued efforts to revitalize the downtown and the central business district must be considered and addressed.

Stakeholder/Public Input

The consultant will develop and manage appropriate methods for conducting, public and stakeholder consultation and reporting mechanisms. The results of the consultation are to be taken into account in preparing report recommendations. The consultation program will strive to achieve consensus on study outcomes among government, the public, interest groups, business and property owners.

- Nova Scotia Business Inc.
- Halifax Port Authority
- Province of Nova Scotia
- Greater Burnside Business Association
- Industry Brokers/Developers

DISCUSSION

RFP #07-139, Business Parks Functional Plan closed on August 31, 2007. There were three (3) responses. An evaluation team comprised of HRM and Greater Halifax Partnership staff evaluated the proposals based on the criteria listed in Appendix B - Evaluation Scorecard.

The final scoring for all proponents is as follows:

| Company | Scoring (max. 100) | |
|---------------------|---------------------|-----------------------|
| Colliers Ltd | 89.5 | Recommended Proponent |
| Stamm Group | 76.5 | |
| Altus Group | 74.5 | |

Delivery of the study should be completed within sixteen (16) weeks of HRM acceptance of the Proposal.

BUDGET IMPLICATIONS

Based on the highest scoring proponent cost of \$108,181.56 (net HST included), funding is available as follows:

Budget Summary: Capital Account CDE00105 Regional Planning Program

| | |
|------------------------------------|---------------------|
| Cumulative Unspent Budget CDE00105 | \$ 75,000.00 |
| Less: RFP 07-139 | \$ <u>58,451.56</u> |
| Uncommitted Balance | \$ 16,548.44 |

Capital Account CQ300746 Development Consulting

| | |
|------------------------------------|------------------|
| Cumulative Unspent Budget CQ300746 | \$ 49,730 |
| Less: RFP No. 07-139 | <u>\$ 49,730</u> |
| Uncommitted Budget CQ300746 | \$ 0 |

The remaining unspent funds will be used for additional development consulting services as required in the Parks in fiscal 07/08.

The budget availability has been confirmed by Financial Services. This project was estimated in the Approved 2007/08 Capital Budget at \$125,000

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

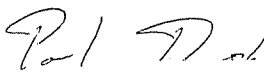
There are no suggested alternatives

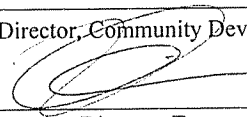
ATTACHMENTS

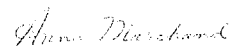
- Appendix A - Scope of Services
- Appendix B - Proposal Evaluation Criteria

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Peter Stickings, Manager, Real Property, TPW at 490-7129

Report Approved by: 
Paul Dunphy, Director, Community Development 490-4933

Report Approved by: 
Peter Stickings, Acting Director, Transportation and Public Works at 490-4855

Report Approved by: 
Anna Marchand, Acting Senior Manager, Financial Services at 490-7222

APPENDIX A
RFP NUMBER 07-139
SCOPE OF SERVICES

PART I - Macro Level Assessment of HRM Business Parks

- establish a system to monitor availability of land for commercial/office, industrial and institutional uses and determine whether supply is meeting demand, in order that sufficient lands are appropriately designated to accommodate anticipated business growth;
- consult with the Province of Nova Scotia to determine the best way to develop the business parks under provincial ownership, including ownership and management options;
- evaluate pricing and design strategies as growth development tools, including implications for other business parks, private and public employment centres including the Capital District;
- further to above, analyze implications for creating incentive programs for locating in rural business parks, including costs/benefits and impacts on other business parks, employment centres and the Capital District;
- investigate the introduction of varying municipal infrastructure standards within business parks, tailored to land use type;
- consider land banking to ensure adequate long-term supply of land; and
- investigate designating additional lands for use as an office campus.

Market Analysis For Industrial/Commercial Lands within HRM

- The consultant will summarize the inventory of available vacant industrial, commercial/office lands within the urban core of HRM and their opportunities for development, and will comment on the appropriateness of the existing business parks including type, form quantity and location.
- The consultant will assess and validate the direction/target markets HRM has chosen to pursue and will comment on opportunity for HRM should be aware of with respect to emerging market trends, transload/logistics sector, niches or other potential uses for HRM's land holdings.
- The consultant will assess and comment on the factors that are attracting or limiting industrial/commercial development in HRM.
- Given the potential market niches, the consultant will advise as to whether HRM is in a position to service these markets and whether HRM's existing land holdings will service those needs, or, advise if a new approach is required.
- Based on the study findings, the consultant will recommend alternate strategies HRM may wish to pursue, such as expansion of its industrial parks.

Deliverables

The consultant will deliver a report commenting on the appropriateness of HRM's current market strategy, an assessment of the positioning of HRM's available property and recommending strategies that would enable HRM to achieve its economic development objectives. As part of the assessment, the consultant will provide a recommended level of potential industrial supply to be maintained by HRM and adopted as Council Policy.

PART II - Burnside Business Park and City of Lakes Business Park

- Review existing municipal plan policies and zoning regulations for industrial/commercial/office lands within HRM to ensure consistency, compliance, conformity and coherence with the municipality's economic development objectives.
- The consultant is to assess the wide range of permitted uses in Burnside and City of Lakes and provide recommendations to accommodate the various use types while minimizing potential land use compatibility issues (i.e. physical separation, buffering, etc.).
- As part of the recommended method(s) of reducing land use incompatibility, the consultant will provide recommendations on the varying levels of infrastructure and amenities required to support each land use type in terms of sidewalks, curbs, street width, etc. in order to best serve its target markets.
- For existing industrial development and properties deemed appropriate for future development, suggest appropriate land use/land use mix, recommended amendments to zoning regulations, improvement to existing site and architectural guidelines and development control parameters to promote increased compatibility between commercial, office, light industrial, heavy industrial and institutional use.
- Propose new MPS Policies and Zoning Regulations for Burnside, City of Lakes and Dartmouth Crossing consistent with the potential uses identified in 5.1 of this Study and a Planning rationale / justification for these changes.
- The Regional Plan identifies the potential consideration for residential development in Burnside. The consultant will assess the compatibility and related impacts on Burnside and City of Lakes Business Parks if residential is introduced and make a clear recommendation as to the appropriateness of introducing a residential component to current industrial zoned lands including the privately held lands.
- Conduct a preliminary public consultation to receive input on issues and matters that might be included in any proposed MPS and/or LUB amendments.

Deliverables

The consultant will deliver a report recommending MPS and LUB amendments that will enable HRM to position its industrial/commercial lands to best meet the market demand outlined and validated in 5.1 of this study. This is to include the rationale, justification and merits of the proposed changes. It is intended that this report will form the basis of any required amendments to be undertaken by HRM.

APPENDIX B
RFP NUMBER 07-139
BUSINESS PARKS FUNCTIONAL PLAN - PROPOSAL EVALUATION CRITERIA

| Criteria | Max. Score | Colliers | Stamm | Altus |
|--|------------|--------------------------------------|--------------------------------------|--------------------------------------|
| 1. Expertise of Firm, Project Team, Organization and Personnel <ul style="list-style-type: none"> Recent experience of firm and personnel with projects of a similar nature Skill mix of firm and personnel, including relevant experience, research/data collection and analysis, report writing and presentation Depth of team References | 25 | 21 | 18 | 17.5 |
| 2. Proposed Methodology <ul style="list-style-type: none"> Detailed methodology to meet objectives of the study and desired outcomes Quality and comprehensiveness of approach Consideration of options and solutions to meet objectives Demonstrate a realistic schedule with a work plan that identifies critical milestones and includes a critical path | 35 | 30 | 26 | 24 |
| 3. Understanding the Study <ul style="list-style-type: none"> Demonstrate a solid understanding of the subject matter and study requirements Comprehension of associated issues Ability to convey ideas and concepts through oral presentations and written reports Recognition of unique and innovative opportunities suited to our situation | 15 | 14 | 11.5 | 11 |
| 4. Submission Quality <ul style="list-style-type: none"> Completeness Clarity & Conciseness | 5 | 4.5 | 3 | 3 |
| 5. Fee Proposal <ul style="list-style-type: none"> Fee | 20 | 20 (\$108,181.56) incl net HST | 18 (\$121,284.98) incl net HST | 19 (\$112,179.09) incl net HST |
| Total | 100 | 89.5 | 76.5 | 74.5 |