



PART 3 – Evaluation Methodology

PURPOSE

The purpose of the Evaluation Methodology is to formalize a competitive and transparent approach to inform the disposition of City-owned land under the guidance of the Non-Market Housing Land Disposition Policy. The completion and tendering of requested information in no way obligates an applicant to purchase City-owned land and it is not in any way binding upon The City to sell City-owned land. Results derived through implementation of the Evaluation Methodology are for information purposes only.

To be considered, an application must be complete and submitted in accordance with **Application Submission Instructions**. Incomplete applications will not be evaluated. Under extenuating circumstances and at the discretion of The City, applicants may be asked to clarify application material prior to and during the evaluation process.

EVALUATION FRAMEWORK

The evaluation process will entail a review of criteria related to Strength of Applicant and Strength of Project and an assignment of weighted scoring frameworks. A total combined minimum score of 65/100 is required for an application to be considered viable and feasible. Should an application fail to achieve a total combined minimum score of 65/100, The City of Calgary reserves the right to withhold the selection of a Purchaser.

1. Strength of Applicant

Each of the following criteria submitted pursuant to **PART 2 – Required Attachments** will be considered by an Evaluation Committee and awarded a score based on the depth and detail of information. Applicants who demonstrate a high degree of confidence and reliability will be scored higher and greatly aid in the likelihood of a successful application.

- Non-Market Housing Experience
- Development/Construction Experience
- Financial Strength
- Ability to Leverage Financial Support

SCORE	DESCRIPTION
1.00	Exceeds expectations. Excellent probability of success.
0.80	Somewhat exceeds expectations. High probability of success.
0.60	Meets expectations. Good probability of success.
0.40	Somewhat meets expectations. Fair probability of success.
0.20	Does not meet expectations. Low probability of success.
0.00	Complete misunderstanding of expectations. No probability of success.



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Strength of Applicant scoring will be calculated in accordance with the weighted framework below.

STRENGTH OF APPLICANT	WEIGHTING (%)
Non-Market Housing Experience	10
Development/Construction Experience	10
Financial Strength	10
Ability to Leverage Financial Support	20

2. Strength of Project

Each of the following project specific criteria will be awarded a score based on declared levels of commitment made by each Applicant. Deeper commitments will yield a higher score and greatly aid in the likelihood of a successful application.

- Affordability
- Financial Capacity
- Administrative Capacity
- Accessibility
- Energy Efficiency and GHG Emissions Reductions
- Support Service for Residents

Strength of Project scoring will be calculated in accordance with the weighted framework below.

STRENGTH OF PROJECT	WEIGHTING (%)
Affordability	20
Financial Capacity	7
Administrative Capacity	12
Accessibility	3
Energy Efficiency and GHG Emissions Reductions	3
Support Service for Residents	5



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Each Applicant is asked to read the following carefully and confirm a level of project commitment by indicating a on the appropriate response.

A. Affordability (choose one)

Rental

What is the average aggregate monthly rent for the project as a percentage of CMHC Median Market Rent (MMR) for the City of Calgary? The MMR for the City of Calgary is (Oct/23 CMHC):	Score
<ul style="list-style-type: none"> • bachelor = \$1188/month • 1 bedroom = \$1385/month • 2 bedroom = \$1595/month • 3 bedroom = \$1627/month 	
<input type="checkbox"/> less than 63% of MMR	1.00
<input type="checkbox"/> 63%-65%	0.89
<input type="checkbox"/> 66%-68%	0.78
<input type="checkbox"/> 69%-71%	0.67
<input type="checkbox"/> 72%-74%	0.56
<input type="checkbox"/> 75%-77%	0.44
<input type="checkbox"/> 78%-80%	0.33
<input type="checkbox"/> 81%-83%	0.22
<input type="checkbox"/> 84%-86%	0.11
<input type="checkbox"/> more than 86% of MMR	Application Fail

***EXAMPLES:**

- 70% of units at 60% MMR (.42) and 30% of units at 80% MMR (.24) = 66%
- 100% of units at 70% MMR = 70%

Ownership

What is the average annual housing cost (including mortgage, interest, taxes, utilities, condo fees and homeowner's insurance) as a percentage of household income?	Score
<input type="checkbox"/> less than 20% of annual household income	1.00
<input type="checkbox"/> 20%-21%	0.83



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What is the average annual housing cost (including mortgage, interest, taxes, utilities, condo fees and homeowner’s insurance) as a percentage of household income?	Score
<input type="checkbox"/> 22%-23%	0.67
<input type="checkbox"/> 24%-25%	0.56
<input type="checkbox"/> 26%-27%	0.33
<input type="checkbox"/> 28%-29%	0.17
<input type="checkbox"/> more than 29% of annual household income	Application Fail

B. Financial Capacity

What percentage of overall costs are secured in place and readily available to allocate to the development?	Score
<input type="checkbox"/> greater than 40%	1.00
<input type="checkbox"/> 36% - 40%	0.84
<input type="checkbox"/> 31% - 35%	0.70
<input type="checkbox"/> 26% - 30%	0.56
<input type="checkbox"/> 21% – 25%	0.42
<input type="checkbox"/> 16% - 20%	0.28
<input type="checkbox"/> 11% - 15%	0.14
<input type="checkbox"/> less than 10%	0.00

C. Administrative Capacity

Does Appendix “A” Project Proforma reveal a positive net operating income?	Score
<input type="checkbox"/> Yes	1.00
<input type="checkbox"/> No. The Applicant has adequately demonstrated how shortfalls will be accommodated.	0.67
<input type="checkbox"/> No. The Applicant has marginally demonstrated how shortfalls will be accommodated,	0.33
<input type="checkbox"/> No. The Applicant has not demonstrated how shortfalls will be accommodated.	0.00

D. Accessibility

What percentage of units meet accessibility standards?	Score
<input type="checkbox"/> Barrier Free common areas and greater than 30% of units meet accessibility standards OR full universal design and greater than 20% of the units meet accessibility standards.	1.00
<input type="checkbox"/> Barrier Free common areas and 25-30% of units meet accessibility standards OR full universal design and between 11-19% of the units meet accessibility standards.	0.67
<input type="checkbox"/> Barrier Free common areas and 20-24% of units meet accessibility standards OR full universal design and between 1-10% of the units meet accessibility standards.	0.33
<input type="checkbox"/> Barrier Free common areas and less than 20 of units meet accessibility standards OR full universal design and less than 1% of the units meet accessibility standards.	0.00

E. Energy Efficiency and GHG Emissions Reductions

What energy consumption and Greenhouse Gas (GHG) emissions decrease relative to the National Energy Code for Buildings (NECB 2017) will the project achieve?	Score
<input type="checkbox"/> greater than 50%	1.00
<input type="checkbox"/> 35% - 50%	0.67
<input type="checkbox"/> 15% - 34%	0.33
<input type="checkbox"/> less than 15%	0.00

F. Support Service for Residents

Are integrated supports or services provided for the residents onsite?	Score
<input type="checkbox"/> Full-time	1.00
<input type="checkbox"/> Part- Time	0.50
<input type="checkbox"/> none	0.00



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TABULATED SCORING RESULTS

Tabulated scoring results will be completed by The City of Calgary. It will consolidate all weighted scores arising from the review of all submitted Strength of Applicant material and all Strength of Project commitments.

A total combined minimum score of 65/100 is required for an application to be considered viable and feasible. Should an application fail to achieve a total combined minimum score of 65/100, The City of Calgary reserves the right to withhold the selection of a Purchaser.

STRENGTH OF APPLICANT	WEIGHTING (%) (A)	SCORE (B)	RESULT (A x B = C)
Non-Market Housing Experience	10		
Development/Construction Experience	10		
Financial Strength	10		
Ability to Leverage Financial Support	20		
Subtotal (C)			
<u>STRENGTH OF PROJECT</u>	WEIGHTING (%) (D)	SCORE (E)	RESULT (D x E = F)
Affordability	20		
Financial Capacity	7		
Administrative Capacity	12		
Accessibility	3		
Energy Efficiency and GHG Emissions Reductions	3		
Support Service for Residents	5		
Subtotal (F)			
TOTAL (C + F)	100		