



Report to: Development Services Committee

Report Date: December 05, 2016

SUBJECT: Award of Proposal 231-R-16: Consulting Services for Development of a New Comprehensive Zoning By-Law: Phase 3B of New Comprehensive Zoning By-law Project

PREPARED BY: Rosemarie Patano, Senior Construction Buyer, Ext. 2990
Anna Henriques, Senior Planner - Zoning & Special Projects, ext.7922

REVIEWED BY: Tom Villella, Manager, Zoning & Special Projects, ext. 2758

RECOMMENDATION:

- 1) THAT the report entitled "Award of Proposal 231-R-16: Consulting Services for Development of New Comprehensive Zoning By-Law: Phase 3B of New Comprehensive Zoning By-law Project" be received;
- 2) THAT the Contract for Proposal 231-R-16: Consulting Services for Development of New Comprehensive Zoning By-law (Phase 3B), be awarded to Meridian Planning Consultants, the highest ranked, lowest priced bidder in the amount of \$525,425.55 inclusive of HST;
- 3) THAT a contingency in the amount of \$52,542.56 (10%), inclusive of HST impact to cover any additional project costs be approved, and that authorization be granted to approve expenditures of this contingency amount up to the specified limit in accordance with the Expenditure Control Policy;
- 4) THAT the award and contingency amounts be funded from the Planning & Urban Design account for Markham's New Comprehensive Zoning By-law – Project #16001 in the amount of \$577,968.11 (\$525,425.55 + 52,542.56), inclusive of HST impact;
- 5) THAT the remaining budget in Project #15016, "Consolidated Zoning By-law Program - Phase 2 of 4" in the amount of \$340,486 be returned to the original funding source;
- 6) THAT the remaining budget in Project #16001 'Consolidated Zoning By-law Program - Phase 3 of 4" in the amount of \$42,880.89 be returned to the original funding source;
- 7) THAT funding be reduced by \$430,000 from the 2017 capital budget request, from \$668,000 to \$238,000 from Project #17029 "Consolidated Zoning By-law Program - Year 4 of 4" subject to Council approval of the 2017 capital budget;
- 8) AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain approval to award the contract for Proposal 231-R-16: Consulting Services for Development of a New Comprehensive Zoning By-Law (Phase 3B).

In 2013, Council approved funding for this project in the amount of \$150,000 to begin required background analysis. Through the 2014, 2015, and 2016 Capital Budgets, Council approved an additional budget of \$2,042,500 (\$530,000 + \$630,000 + \$882,500). The 2017 budget included a further request of \$668,000.

The recommended award of proposal to the highest ranked and lowest priced bidder is for an amount below the original budget allocation. The remaining budget will be returned to the original funding source.

BACKGROUND:

Markham's existing zoning by-laws

Markham's existing zoning framework consists of approximately forty-six (46) active "parent" zoning by-laws. Markham's parent zoning by-laws (i.e. by-laws covering a particular community or geographic district) were adopted at various points in time between 1953 and 2004, with the significant majority of the by-laws being adopted between the 1960s and 1980s. The City's most current zoning by-laws were adopted in 1996 and in 2004 and apply to newer communities in the City; OPA 5 communities (Cornell, Box Grove, Wismer, etc.) and Markham Centre, respectively.

Over the past fifty to sixty years there have been numerous zoning by-law amendments to the City's parent zoning by-laws, to update them and make them more relevant to emerging building and planning standards and trends. In addition, over the same time period there have been approximately 3,000 site specific zoning by-law amendments and approximately 6,000 minor variance approvals to facilitate development and redevelopment within the City.

Markham's zoning by-laws require review and updating

The Planning Act [Subsection 26 (9)] requires that municipalities review and update their municipal zoning by-law(s) to conform with their Official Plan, no later than three (3) years after the Official Plan comes into effect. Therefore, the City's parent zoning by-laws will need to be updated to be consistent with the City's new Official Plan which was adopted by Council in December, 2013.

In addition, the City's parent zoning by-laws are in need of a major comprehensive review given their age, inconsistencies between by-laws, and the numerous amendments and minor variances approved over the years. For example, many of the provisions of the City's zoning by-laws are considered outdated, inefficient, and in some cases, ineffective for managing land use and development in the City. The City has not undertaken a major comprehensive review of all parent zoning by-laws until now.

Markham's New Comprehensive Zoning By-law Project

To address the Planning Act requirement and zoning by-law issues discussed above, the City initiated Markham's New Comprehensive Zoning By-law Project. The fundamental purpose of Markham's New Comprehensive Zoning By-law Project is to review, consolidate and update, where appropriate, the City's parent zoning by-laws into one (1) comprehensive zoning by-law that conforms with, and implements, the City's new Official Plan. A key objective of the Project is to develop an innovative, user-friendly and web-based zoning by-law to guide future development in Markham and improve service delivery to City residents and the development industry. Planning staff developed a work program for the Project which consists of four (4)

phases, as outlined below:

PHASE	WORK COMPLETED	COMPLETION DATE
Phase 1	Zoning Issues Analysis	March 2016
Phase 2	Strategic Direction Report	June 2016
Phase 3:	Development of New Comprehensive Zoning By-law	Q1 2017
Phase 3A	Review of potential new zoning and licensing regulations for secondary suites, rooming houses and short-term accommodations	

PHASE	WORK COMPLETED	ESTIMATED COMPLETION DATE
Phase 3B	Development of the New Comprehensive Zoning By-law (excluding zoning regulations for secondary suites, rooming houses, short-term accommodations)	April 2018
Phase 4	OMB Appeals (if necessary)	TBD

In April 2014, the City retained Gladki Planning Associates (GPA) to undertake Phase 1 and 2 of the Project which consisted of background work and recommendations to guide the drafting of the new comprehensive zoning by-law (Phases 3A and 3B). Phase 1 was successfully completed by GPA in March 2016 and Phase 2 was successfully completed in June 2016.

During public consultation for Phase 1, City residents raised concerns with respect to neighborhood impacts associated with secondary suites, rooming houses and short-term accommodations (ie. AirBnB, VRBO, HomeAway, etc.). As a result, Council directed that a review of potential new zoning and licensing regulations be undertaken on a priority basis to address concerns raised (Phase 3A). Council further directed that this review be advanced and completed prior to the completion of the New Comprehensive Zoning By-law which is targeted for April 2018. In March 2016, GPA was retained by the City to complete work on Phase 3A which is currently underway and targeted for completion in early 2017.

Request for Proposal (RFP) issued September 2016

Markham's New Comprehensive Zoning By-law Project is anticipated to be a challenging multi-year project that will require a significant amount of resources to complete. To assist with Phase 3B of the Project, the City issued an RFP (231-R-16) for Consulting Services for the development of a new comprehensive zoning by-law.

BID INFORMATION

Advertised	ETN
Bids closed on	November 03, 2016
Number picking up bid documents	8*
Number responding to bid	2

* Purchasing contacted bidders who downloaded the document and did not submit a Bid. From the six (6) follow-up calls made, Purchasing found that four (4) of the suppliers participated in the capacity of a sub-consultant; one (1) supplier indicated they did not have required experience in this field; one (1) bidder identified a potential conflict of interest.

Evaluation of Proposals

The RFP was released with a three-stage evaluation approach. The Technical Proposal (Stage 1) was evaluated out of 70 points and the Price Proposal (Stage 2) was evaluated out of 30 points. The Evaluation Team for this RFP was comprised of staff from the Planning & Urban Design, Building and Legal Departments, with Purchasing acting as the facilitator.

Evaluation of Stage 1 – Technical Proposal

The Stage 1 Technical Proposals were evaluated against the pre-established evaluation criteria as outlined in the RFP: 25 points for Experience and Qualification of the Bidder and Project Team; 25 points for Project Understanding, Methodology and Approach; 20 points for Project Delivery and Management; and 30 point for Price, totalling 100 points. Upon completion of Stage 1 (technical evaluation), the Price Proposal (Bid Form) provided by those Bidders who qualified from Stage 1, (minimum score of 75%, or 52.5 points out of 70 required), proceeded to Stage 2 for price evaluation.

The results of the Stage 1 evaluation are outlined below:

Bidders	Score (out of 70)	Rank Results
Meridian Planning Consultants	54.00	1
Gladki Planning Associates	53.00	2

Evaluation of Stage 2 – Price Proposal (Bid Form)

Based on the Stage 1 evaluation, both Bidders received a minimum of 75% or 52.5 points out of 70 and therefore, proceeded to Stage 2 - Price Evaluation. The price proposal provided by the Bidders is evaluated out of 30 points, based on the criteria outlined in the RFP.

The results of the Stage 2 (Price Proposal) evaluation are outlined below:

Bidders	Score (out of 30)	Rank Results
Meridian Planning Consultants	30.00*	1
Gladki Planning Associates	17.30	2

* Bid prices ranged from \$525,425.55 to \$747,813.89 inclusive of HST

Stage 1 & 2 – Combined Overall Scoring

The scores from the Stage 1 and 2 evaluations were combined to formulate final overall scoring, as summarized below:

Bidders	Score (out of 100)	Rank Results
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Meridian Planning Consultants	84.00	1
Gladki Planning Associates	70.00	2

Meridian Planning Consultants (“MPC”), the lowest priced bidder scored highest in the technical submission and demonstrated a thorough understanding of the project and its requirements. Their proposal demonstrated to the City’s satisfaction that they have the ability to undertake the project and that they have a strong understanding of the required project deliverables, key issues and challenges. Through the evaluation process, MPC demonstrated a depth of experience and expertise as it specifically relates to the successful development of a new comprehensive by-law, while meeting key milestones and timelines.

MPC is a land use planning firm established in 2001 and based in Vaughan, Ontario, providing planning advice to numerous public sector clients and landowners throughout Ontario and Alberta. The firm has extensive experience in the planning field, managing complex projects with large multi-disciplined teams. MPC’s current public sector clients include (but not limited to): City of Brampton, City of Vaughan, City of Kitchener, City of Cambridge, Region of York, Region of Halton, and District of Muskoka. In addition, MPC has a significant zoning and policy experience specific to Markham having prepared: By-law 177-96 (Comprehensive Zoning By-law for the Markham Urban Expansion Area); By-law 2004-96 (Markham Centre); numerous by-law consolidations, updates and “housekeeping” amendments to Markham’s zoning by-laws; and, also the employment lands policies in the City’s new Official Plan.

In response to the requirements of the RFP, MPC has partnered up with sub-consultants, assembling a well-rounded team with extensive knowledge of innovative zoning by-law approaches and recent experience managing similar complex projects. Specifically, The Planning Partnership (“TPP”), Borden Ladner Gervais (“BLG”) and Hunter GIS are all sub-consultants on MPC’s project team. Leading the TPP team is Ron Palmer who has over 30 years planning experience in Canada and the United States. TPP is experienced with preparing zoning by-laws having authored the award-winning Illustrated Zoning By-law for the Town of LaSalle, Ontario. In addition, TPP has recently completed a comprehensive zoning by-law for the City of Charlottetown, PEI. BLG offers legal advice to the team, as needed, having extensive experience with complex municipal planning matters. Lastly, Hunter GIS offers public sector geographic information systems expertise to facilitate the development of a web-based and user-friendly zoning by-law (mapping and text) utilizing the City’s existing base platform technologies (ESRI ArcGIS, Geocortex Essentials/HTML5 Viewer), while also ensuring compatibility with Amanda, Oracle and IBM Webshpere Portal).

Summary

MPC prepared a solid proposal in response to the City’s RFP, assembling a team with the requisite skills, knowledge and expertise to successfully complete Phases 3B of the Project on time and within budget. It is anticipated that Phase 3B will commence in December 2016 and be completed by April 2018.

FINANCIAL CONSIDERATIONS:

The award of the contract for Proposal 231-R-16, Phase 3B of 4, in the amount of \$577,968.11, inclusive of HST, will be funded from capital project #16001 “Consolidated Zoning By Law Program - Phase 3 of 4” (Acc #620-101-5699-16001).

Item	Amount
Consolidated Zoning Budget (account 620-101-5699-16001)	\$ 882,500.00
Budget available for this item:	\$ 620,849.00
Award (inclusive of HST):	\$ 525,425.55
Contingency (inclusive of HST):	\$ 52,542.56
Budget remaining:	\$ 42,880.89

The remaining budget of \$42,880.89 in project #16001, "Consolidated Zoning By-law Program - Phase 3 of 4" be returned to the original funding source (Building Reserve).

Furthermore, Phase 2 was completed in June 2016, and the remaining budget of \$340,486 in project #15016, "Consolidated Zoning By-law Program - Phase 2 of 4" is no longer required, and therefore, the remaining budget will be returned to the original funding source.

A 2017 budget request, project #17029 "Consolidated Zoning By-law Program - Year 4 of 4" has been made in the amount of \$668,000, subject to Council approval to complete Phase 3B. Staff recommend that \$188,000 of the budget be retained for internal staffing and that \$50,000 be retained to fund the City's on-going zoning by-law program which includes advertising, and general zoning by-law updates and amendments as budgeted for in this account. Therefore, \$430,000 (\$668,000 - \$188,000 - \$50,000) of the 2017 capital budget request is no longer required and will be adjusted accordingly.

The above expenditures will complete the requirements for the new comprehensive zoning by-law and no further costs will be required.

ENVIRONMENTAL CONSIDERATIONS:

Not Applicable.

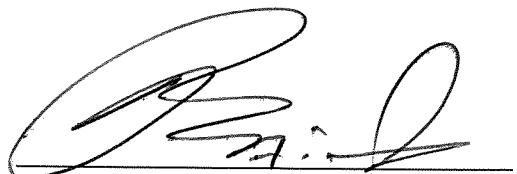
BUSINESS UNITS CONSULTED AND AFFECTED:

This report was jointly prepared by the Purchasing and Planning & Urban Design Department. This report was also circulated to the Finance Department for review and comment.

RECOMMENDED BY:



Biju Karumanchery
Director, Planning & Urban Design



Jim Baird, MCIP, RPP
Commissioner, Development Services