



LADNER VILLAGE DEVELOPMENT OPPORTUNITY

REQUEST FOR EXPRESSIONS OF INTEREST NO. 24-169

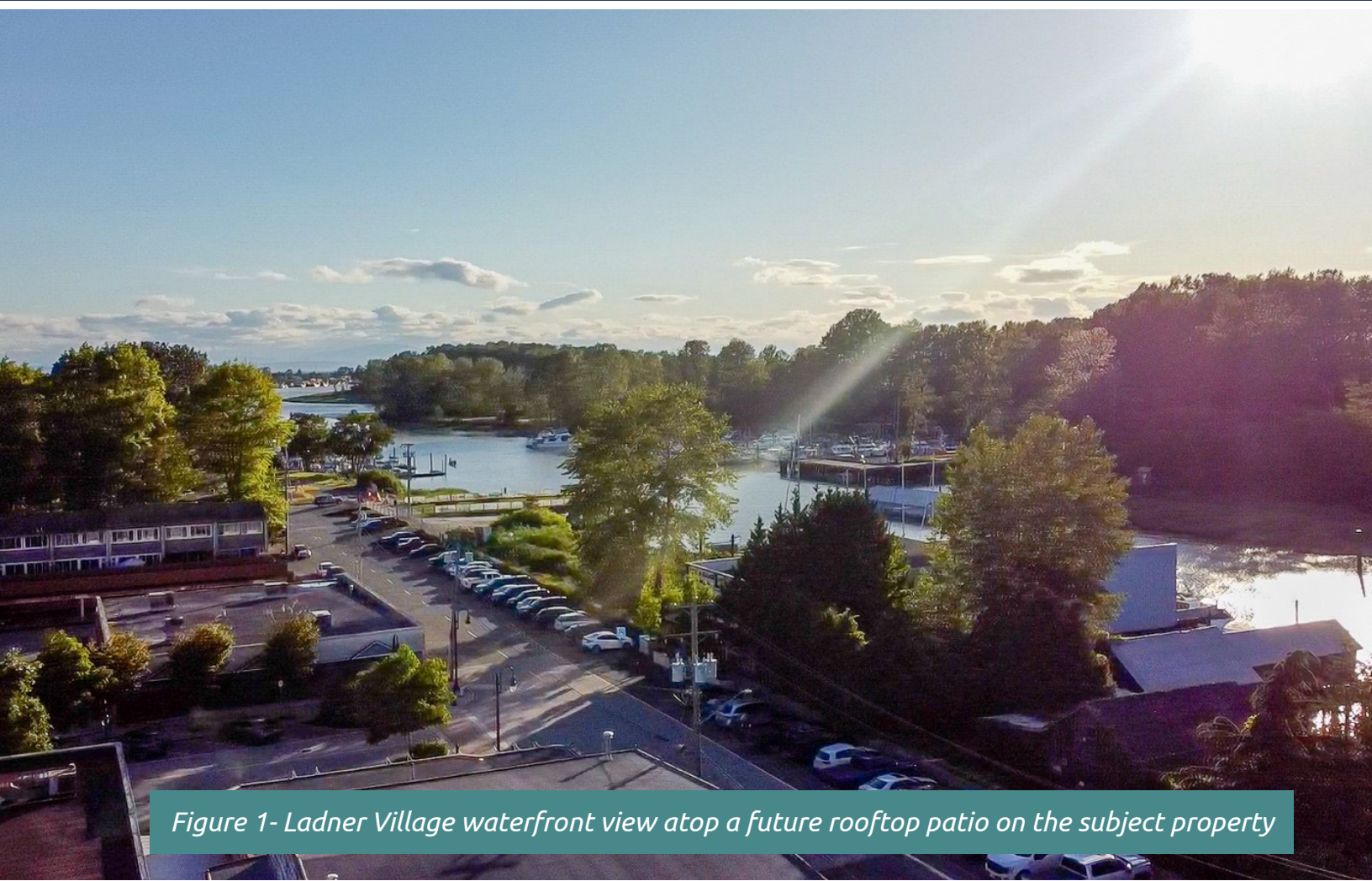


Figure 1- Ladner Village waterfront view atop a future rooftop patio on the subject property

Closing date and time

Please respond before 2:00 pm Pacific time on January 31, 2025.

Contact person

Any enquiries are to be submitted in writing to:
Eric Freudenreich, Lands Manager
Email: lands@delta.ca

Issue date September 23, 2024

1.1 PROJECT OVERVIEW

The City of Delta is excited to present a unique opportunity for an experienced commercial developer to establish a tourist accommodation on a 1.2 acre City-owned lot in Ladner Village, across from waterfront and with views of the Fraser River and Ladner Harbour Park.

The City is engaged in a multi-year project to enhance the waterfront, making Chisholm Street a destination in Ladner Village for locals, regional residents, tourists and visitors alike. This project is an anchor in the plan, providing a high-quality tourist accommodation with vibrant boutique shops and services as well as a restaurant and rooftop patio. This development will become the community's hotel – a preferred place for friends and family to stay and the spot locals go for a casual get-together or night out.

The City is seeking an experienced commercial developer to:

- Design a tourist accommodation that features a mix of supporting uses and amenities;
- Propose a design that supports the community's vision and enhances the historic charm and character of Ladner Village;
- Build and operate the new development;
- Enliven the streetscapes along Chisholm, Delta and Elliott Street with place making enhancements such as landscaping, murals, street furniture and lighting; and
- Enter into a long-term lease agreement (50+ years) with the City.

1.2 THE NEIGHBOURHOOD

Ladner Village reflects the fishing and farming tradition of the community and has become a walkable, people-friendly place to live, work, shop, visit and play. With vibrant public spaces including opportunities to access and enjoy the waterfront and celebrate heritage features, the Village has year-round vitality and is treasured by locals. It is home to the Ladner Village Market, a regional summertime destination and in the winter is a popular filming location for its quaintness and unique architecture. The City has undertaken a multi-year program to continue bringing vibrancy and diversity to the area to support strong businesses and varied housing options for people to live and work in the heart of the community.

To support this work, the City is moving forward on their plans to invest in Ladner Village based on findings and recommendations of the 2021 Ladner Village Renewal Advisory Committee (see appendix E). Seven projects have been identified for advancement over the next few years including:

- Recreational enhancements at Spot-on-the-Water Park;
- Comprehensive upgrades and programming to Chisholm Street Wharf;
- A new multi-use pathway and streetscape upgrade on Chisholm Street;
- Utility Service Upgrades;
- Enhancements to Elliott Street Wharf;
- Additional pop-up parks and events to create pedestrian fun;
- A branding, signage and wayfinding strategy; and
- Engaging a developer on a new mixed-use development (subject EOI).

1.3 BUSINESS POTENTIAL

The City commissioned a feasibility study for the site which concluded that the location can support an aparthotel with up to 18,000 square feet of supporting commercial retail space (see Appendix A for a copy of the report). While the report demonstrates feasibility for a specific operating model, the City is open to considering alternative business plans.

This mixed-use development with its combination of hotel and residential apartment uses could feature luxury finishes over hearty and resilient materials making this an accessible and upscale environment. On the residential/hotel side, rooms could include studio, one, and some two-bedroom configurations with full kitchens and sitting areas. On the commercial side, the study recommends a ground floor restaurant / bar with service to a rooftop patio, bakery and coffee shop, and boutique shops and services. The project will create a place where residents of the building and community want to gather for any occasion, any day of the week.

To ensure that a new tourist accommodation complements Ladner Village and contributes to the experience of both locals and visitors, residents were invited to share their ideas of how this development could become the community's hotel. Residents' sentiments are summarized below to inspire the design of a possible tourist accommodation and are important criteria for evaluation of the proposals.

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- **Design.** Design and materials should reflect Ladner Village's fishing, farming and Indigenous history. It will comply with the Ladner Village Core Development Permit Area within Delta's Official Community Plan (Attachment F). Room stock should be accessible and accommodate families.
 - **On-site Amenities.** Features that can be enjoyed by locals and visitors alike (i.e., rooftop restaurant/patio with sunset views of Fraser River and Harbour Park, seafood/wine bar, space for live music, meeting room/studio space, art installations, regular event programming).
 - **Streetscape.** Consider stepping back the building from the street after the second or third level so as not to overwhelm existing buildings. Create wide sidewalks with landscaped features.
 - **Placemaking.** Establish a European square/plaza feel at ground level that includes patio-seating, coffee shop, breakfast place, flower stalls, fresh produce, and public art.
 - **Transportation.** Provide adequate on-site parking. One stall per accommodation plus additional parking for commercial units is recommended in the feasibility study. Access for parking is preferably from Trenant Lane. Consider active transportation options, bike racks and storage.
 - **Support Local.** Leverage local builders, suppliers and products for hotel, restaurant, and entertainment.
 - **Environment and Sustainability.** Construction should be sensitive to natural environment and consider sustainable materials.

1.4 SITE ATTRIBUTES

Address: 4910 – 4926 Delta Street, 4940-4946 Chisholm Street, 4952 Chisholm Street and 4958 Chisholm Street

PIDS: 011-536-187, 011-536-225, 011-536-179, 009-088-199, 005-208-751, 011-004-959, 011-005-068

Parcel Size: +/- 1.2 acres (52,000 sq ft)

Street Frontage: Corner property with approximately 344 lineal feet (105 m) along Chisholm Street and 168 lineal feet (51 m) along Delta Street.

Views: Offers views of the Fraser River and Harbour Park above two storeys.



Official Community Plan: Urban Centre (UC) – the ground floor should include primarily commercial and civic uses that contribute to a lively, inviting and safe pedestrian experience. Main uses: commercial (retail, service, office, dining, entertainment, accommodation, childcare), residential, civic and major trip-generating.

Zoning: Currently a mix of Low Impact Industrial, Public Use and Service Commercial 2. The City has initiated a rezoning application across the properties to align with the current Official Community Plan. See Appendix D for the proposed zoning.

Height Allowance: Up to 6 storeys on Chisholm, Delta and Elliott Street with a rooftop patio.

Heritage Connections: The Delta Archives indicates the eastern portion of the site was formerly occupied by the Delta Hotel from 1886 until it burned down in 1923. A Community Hall was constructed on the site in 1926 until it burned down in 1968. Since that time the site has been used as a parking lot, initially for busses and later for public parking.

The Western portions of the site was purchased by Doug Massey from the former Delta Freight Lines Ltd and Home Gas Station. In 1978 Massey's Machine & Marine Shop Ltd. and Massey's Marine Supplies Ltd. was established. They manufactured and repaired aluminium herring skiffs, water and fuel tanks and other equipment supporting the commercial fishing industry. They also manufactured and repaired equipment for the City of Delta and Delta Port. This continued until the lot was purchased in 2003 by Hol Enterprises Inc. and then by the City of Delta in 2024.

Beside this property is the Delta Annex, a property that was home to the Canadian Legion until 1962 when it was renovated for the Delta Police Station prior to its current use by the Delta Archives.

The existing buildings on site will be demolished by the City as noted below.

1.5 SITE DEVELOPMENT UPDATES

- The new Official Community Plan for the property is Urban Centre (UC) with a goal to create vibrant urban centres with the greatest diversity of housing, shopping and other opportunities to meet daily needs in a walkable environment.
- In this zone, surface parking is discouraged in favour of a covered parking facility off of Trenant Lane incorporated into the project. A minimum of one stall per hotel room is contemplated along with consideration of additional parking stalls based on the proposed mix of uses in the building. With a focus on ground-oriented commercial, the property can accommodate uses including retail, service, office, restaurant, entertainment and accommodation, among others. These uses should contribute to a lively, inviting and safe pedestrian experience. This property is also subject to the Ladner Village Core Development Permit Area.
- The City has initiated a rezoning application in alignment with the Official Community Plan designation (see attachment D for more information on the proposed zoning bylaw).
- The City has completed remediation on the property and is actively conducting supplemental environmental site assessment work with the intent to obtain a certificate of compliance in accordance with the requirements of the BC Contaminated Sites Regulation.
- The 3 buildings on site will be decommissioned and removed commencing in late 2024 and extending into 2025.
- Elliott Street received a water and sanitary sewer upgrade in 2024 that has been designed with a 75 year service life to accommodate future growth in the village. There is a waterline running under the property that will be relocated in 2025.
- Road dedications are planned as part of lot consolidation and will apply to small portions of the property along the back laneway in order to maintain a consistent 7.5 m width for Trenant Lane towards Elliott Street.



1.6 ECONOMIC INCENTIVES

- **Ladner Village Revitalization Exemption Program Bylaw No. 8331, 2023:** The property is eligible for a reduction in building permit fees and plumbing fees. A copy of this bylaw is attached as schedule B.
- **Parks, Recreation and Culture Amenity Contributions (PRCAC):** Ladner Village Renewal Area is exempt from the PRCAC Policy, resulting in additional savings.

1.7 WHAT THE CITY IS SEEKING

The City is seeking a project development team that includes an experienced hotel operator with a proven track record of delivering successful projects in the region to construct and operate a mixed-use commercial venture. The development will be reflective of the unique context in Ladner Village and draw both locals and visitors alike. Interested parties are invited to submit a summary-level proposal to the City in the first round that includes a project vision and preliminary concept drawings, information on the proposed mix of uses and benefit to Ladner Village. Please see section 1.10 below for a detailed list of criteria.

1.8 WHAT THE CITY IS PROVIDING

- Ground lease for redevelopment;
- Environmental remediation of the site;
- Demolition of existing structures;
- Rezoning with relaxed setbacks;
- Archaeological and Geotechnical Assessments; and
- Consolidation of lots into one parcel with necessary road dedications completed.

1.9 HOW TO RESPOND

Please submit a detailed response addressing the following:

- **Experience and reputation of the developer**
 - Introduce the project team and list previous successful projects you have completed on time, within budget.
 - Please provide current references for at least two people the City can readily contact for each project. Include a public sector individual (for example a City planner) for each, as well as another client who can attest to the quality of the finished development and the professionalism of the process.
 - Provide information to describe your financial stability/position and how you can commit to completion.
 - If the developer is not the operator of the Hotel, please provide background on the suitability of the Hotel Operator and key terms agreed between the parties on the management contract to operate the asset once built.
- **Alignment with Community Vision and Ability to support Ladner Village and Waterfront Revitalization**
 - Describe your proposed development in detail being aware that the City will not be the developer or operator.
 - Explain why you are confident it could be successful for you.
 - Describe what you see as the benefits to the City and Village.
 - Describe your plans for sub-lease of the commercial space to local businesses (if applicable).
 - Identify potential challenges with making your vision become reality.
 - Provide a project plan with construction timelines.
 - Describe how you will incorporate local character and heritage connections through the project. For example, how you will represent:
 - The historic character of the village and create a market square feel.
 - How you will create synergies with adjacent land uses. For example,
 - How you will leverage local suppliers and products (hotel supplies, farm produce in restaurants, artists / murals).
 - Consider streetscape (step buildings back from the street so as not to overwhelm existing buildings, massing of building relative to others, wide sidewalks, art).
 - Incorporate greenspace / water features.
 - Provide adequate parking / consider transit and active transportation.
 - Provide amenities for locals (bike racks, pop up stores, meeting room / studio space, rooftop restaurant / patio, seafood / wine bar, space for live music).
 - How you will accommodate families (suites with kitchens).
- **Proposed operating model and financial return to the City**
 - State the proposed lease payment structure and desired lease duration you are seeking.
 - Demonstrate how your proposal provides a suitable financial return to the City.
 - Demonstrate how risk is mitigated for the City.

1.10 HOW TO SUBMIT THE RESPONSE

Email *one single file in pdf* format to **lands@delta.ca**. Make sure it is received before the specified closing date and time. Feel free to request an email to confirm receipt. The City will commence evaluation of responses after that time and reserves the right at its sole discretion to accept or reject any responses received after that time.

1.11 EVALUATION AND SELECTION PROCESS

Step One – Expression of Interest Submissions

All submissions received before the closing time will be evaluated by the City against the following criteria, which were developed in consultation with the community (see Appendix C). This includes the following:

- Ability to support Ladner Village and Waterfront Revitalization
- Operating model and financial return to the City
- Experience and reputation of the developer

Step Two – Refined Proposals/Final Offers

Shortlisted respondents will be invited to submit refined proposals/final offers with firm pricing commitment details. The City will receive the final offers and select the one that best meets the community's needs. The terms of this final offer will create a binding lease agreement, subject to Council approval.

Step Three – Council Approval and Lease Execution

The final lease agreement will be reviewed by Council and, if approved, the parties will execute the lease.

Submission Timeline

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|---|--------------------------|
| Request for Expression of Interest Closes | January 31, 2025 |
| Short List of Proponents Created | February 28, 2025 |
| Receipt of Detailed Proposals | August 31, 2025 |
| Final Approval and Lease Signing | November 30, 2025 |

1.12 TERMS AND CONDITIONS

The following terms and conditions apply to this Request for Expressions of Interest. By submission of a response, respondents acknowledge and accept this.

- a. Any amendments to the Request for Expressions of Interest will be posted to the City of Delta's website at **Delta.ca/City-owned-property** in the form of addenda. It is the respondent's sole responsibility to check for addenda.
- b. All documents submitted in response to this request become the property of the City of Delta. They will be held in confidence and released only as required by legislation.
- c. The City of Delta is under no obligation to accept further information from any party following the closing date and time of the Request for Expressions of Interest.
- d. The City of Delta reserves the right to take whatever action it deems appropriate, including, but not limited to, ending this process in its entirety, negotiating a lease, or inviting lease proposals from entities that did not respond to this Request for Expressions of Interest. The City further reserves the right to conclude this Request for Expressions of Interest process at any time and take no further action.
- e. Respondents are solely responsible for their own expenses in preparing a submission in response to this request. The City of Delta will not be liable to any respondent for any claims, whether for costs or damages incurred by the respondent in preparing the submission, loss of anticipated profit in connection with any final lease, or any other matter whatsoever. No respondent shall have any claim for any compensation of any kind whatsoever as a result of participating in this process, and by submitting a response each respondent shall be deemed to have agreed that it has no claim.
- f. This Request for Expressions of Interest is not binding; it should not be considered an offer or acceptance of an agreement.
- g. Please feel free to submit (by e-mail) any questions deemed necessary to enable a good response to this Request for Expressions of Interest. We will attempt to answer all questions as time permits, but reserve the right to determine when and how extensively we respond. Please keep in mind that we may distribute the questions and our answers to all respondents by means of an addendum posted on the City of Delta's website.

We appreciate your time and your interest in this exciting opportunity and we look forward to hearing from you.

APPENDICES

Appendix A – Accommodation Feasibility Study: Ladner Village Revitalization Initiative by Kadence Hospitality & Development

Appendix B – Ladner Village Revitalization Exemption Program Bylaw No. 8331

Appendix C – Ladner Village “Getaway Here” Engagement Report

Appendix D – Proposed Zoning Bylaw Regulation

Appendix E – Ladner Village Renewal Advisory Committee – Final Report

Appendix F – Ladner Village Development Core Permit Area

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