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CITY OF VANCOUVER

ADMINISTRATIVE REPORT

June 16, 2006 Kirsten Robinson/
lan Smith
604.871.6889/6857
5947
03-1000-10
June 27, 2006

TO: Vancouver City Council

FROM: Project Manager, Southeast False Creek and Olympic Village

SUBJECT: Southeast False Creek and Olympic Village - List of Respondents to Advance to Next Stage of Selection Process for the Restoration and Re-Use of the Salt Building

RECOMMENDATION

- A. That Council endorse the recommended short list of respondents to be invited to participate in the detailed Request for Proposals for the Restoration and Re-Use of the Salt Building at 85 West First Avenue as follows:
 - Acton Ostry Architects Inc.;
 - Ecotrust Canada with the Tsleil-Waututh Nation and Musqueam Band;
 - Omicron Architecture Engineering Construction Ltd.; and
 - Millennium Properties Ltd.
- B. That Council endorse the Salt Building Restoration and Re-use Principles attached in Appendix A; and
- C. That Council approve a leasehold strategy for the Salt Building RFP that would allow the City of Vancouver to retain ownership of the Salt Building and property on which it is located.

CITY MANAGER'S COMMENTS

The City Manager RECOMMENDS approval of recommendations A, B and C, and notes that only those respondents short listed above will be eligible to respond to the RFP.

COUNCIL POLICY

- City Council committed to developing the 2010 Olympic Village on the Southeast False Creek (SEFC) site.
- On March 1, 2005, Vancouver City Council approved the Official Development Plan (ODP) for SEFC (amended Jan 26th, 2006).

PURPOSE

This report updates City Council on the outcome on the Request for Expressions of Interest (RFEI) process and proposes a short list of Respondents to advance to the detailed Request for Proposal (RFP) stage of the selection process for the restoration and re-use of the Salt Building. This report also asks Council to endorse the Salt Building Restoration and Re-Use Principles, and to approve a leasehold strategy for ownership of the Salt Building and the property on which it is located.

BACKGROUND

The Salt Building is the most significant landmark in the SEFC neighbourhood. The building is a "B" listed heritage building located at the heart of the community. The Salt Building was not included in the process to select the developer of Sub-Area 2A in order to undertake a separate RFP process tailored to the Salt Building.

On March 29, 2006 the City issued an RFEI for the restoration and re-use of the Salt Building (attached as Appendix B). The closing date for submissions was April 25, 2006. In response to the RFEI the City received submissions from four respondent teams led by: Acton Ostry Architects Inc., Ecotrust Canada with the Tsleil-Waututh Nation and the Musqueam Band, Omicron Architecture Engineering Construction Ltd., and Millennium Properties Ltd.

DISCUSSION

The four submissions received are from:

Acton Ostry Architects:

The Acton Ostry team is comprised of the Mark James Group, Ron Dick, and the Haebler Group. The team has a proven track record in the renovation and adaptive re-use of heritage buildings in historic districts including, for example, the Yaletown Brew House, DIX BBQ and

Brewery, and 601 Columbia Street in New Westminster. Their proposal is for a café restaurant and pub that will support and connect a brewery, bakery and coffee house.

Ecotrust Canada with the Tsleil-Waututh Nation and the Musqueam Band:

Ecotrust Canada has partnered with the Tsleil-Waututh Nation and the Musqueam Band to create a Natural Capital Centre, which is conceived as both a learning centre to engage citizens in First Nations culture and sustainability, and a modern-day "trading post" for fostering Aboriginal business development and marketing. The development team includes Hotson Bakker Boniface Haden Architects, Commonwealth Historic Resource Management Ltd., and reSource Rethinking. Ecotrust has developed a similar project, the Jean Vollum Natural Capital Centre, in the Pearl District in Portland, Oregon.

Omicron Architecture Engineering Construction Ltd.:

Omicron proposes to lead a partnership of users, financiers, consultants and builders to redevelop the Salt Building. Examples of their project experience include: the City of Vancouver National Works Yard which received LEED Gold certification, the Boathouse Restaurant at Rocky Point Park in Port Moody and the Whole Foods Market at Park Royal in West Vancouver. Omicron is interested in working with the City to determine the best use for the Salt Building, at which point they would either proceed independently, or seek a partner in the restoration and re-use of the Salt Building.

Millennium Properties Ltd.:

Millennium Properties Ltd. ("Millennium") was recently selected by Vancouver City Council to develop Southeast False Creek Sub-area 2A including the Olympic Village. Millennium is interested in the restoration of the Salt Building, which Millennium considers to be the heart of the SEFC Village. The Millennium team includes Merrick Architects, Gomberoff Bell Lyon Architect Group and Commonwealth Historic Resource Management Limited. Millennium would like to work with the City to integrate the Salt Building and its ultimate use into the comprehensive commercial strategy for Sub-area 2A.

Evaluation

A staff evaluation committee was assembled with representation from the SEFC and Olympic Village Project Office, Real Estate Services, Current Planning, and the Heritage Group, with technical support provided by the Vancouver Organizing Committee for the 2010 Winter Olympic and Paralympic Games ("VANOC"). The evaluation committee used evaluation criteria as described in Section 5.2 of the RFEI document for reviewing the proposals (see Appendix B).

Each of the submissions was evaluated by the individual committee members and discussed at length in a committee setting. Each respondent was also interviewed by the entire evaluation committee. Results were shared in a group setting and a consensus developed through an evaluation matrix.

The evaluation committee is pleased to report that all four submissions meet the evaluation criteria. As a consequence, all four teams are recommended by the evaluation committee to

be advanced to the next phase of the selection process. If City Council approves the evaluation committee recommendation in this report, the four respondents will be invited to submit a response to the more detailed RFP.

Request for Proposals

The detailed RFP will be structured to ensure that an adaptive re-use approach be taken to restore the Salt Building in such way that it becomes the heart of the SEFC community. To inform the development of the RFP, Council is asked to endorse the Salt Building Restoration and Re-use Principles attached in Appendix A. The heritage, urban design, sustainability and Olympic Village principles were included in the RFEI package. To provide further direction to the short-listed respondents invited to participate in the RFP, principles related to building restoration and building re-use have been developed by a multi-stakeholder staff team and are included for Council endorsement.

The RFP will also be informed by concepts to be developed at a "Placemaking" workshop to be hosted by the SEFC Project Office prior to the release of the RFP. The placemaking workshop will bring in experts in the fields of retail, marketing, heritage, urban planning, and architecture to further refine the direction of the RFP.

The RFP document, which will incorporate the Salt Building Restoration and Re-Use Principles and placemaking concepts, is under development by staff and will be available to be issued in the next few weeks.

Ownership

Council is asked to approve a leasehold approach to the Salt Building RFP that would allow the City to retain ownership of the Salt Building and the property on which it is located. This strategy is supported by the SEFC Project Manager, the Director of Finance, Director of Real Estate Services, and the staff evaluation committee. By retaining ownership, the City can control, through the lease, the use of the Salt Building over time and keep this valuable heritage building as a long-term City asset. Noting the desire to attract the right use, or mix of uses, to animate the heart of the SEFC neighbourhood, the City could be flexible in the structure of the lease which would allow all uses, both commercial and non-profit, to be considered on equal footing for the RFP evaluation.

FINANCIAL IMPLICATIONS

The SEFC pro-forma included funds for the City to restore the foundations of the Salt Building, with the intention of entering into a relationship with a third party for the restoration of the rest of the building. Among other things, the RFP will request information from the respondents on their preferred leasehold approach, including the financial return to the City. Any financial implications to the City will be reported back to Council at the conclusion of the RFP submission evaluation.

During the RFP process, staff may also seek to identify senior government or other funding opportunities for this project.

CONCLUSION

The Project Manager recommends that Council approve the advancement of all four RFEI respondents to the next phase of the selection process, and that they be invited to submit responses to the City's more detailed RFP. Council is also asked to endorse the Salt Building Restoration and Re-Use Principles and approve a leasehold strategy that would allow the City to retain ownership of the Salt Building and the property on which it is located.

* * * * *

Salt Building Restoration and Re-use Principles

Guiding Principles

The following Guiding Principles were developed for the Request for Expressions of Interest ("RFEI") for the restoration and re-use of the Salt Building on 85 West First Avenue. They are based on the vision, principles and strategies contained in the Southeast False Creek ("SEFC") Official Development Plan ("ODP") and related Council policies, and are applicable to SEFC and the Salt Building Restoration and Re-Use (the "Project"):

(a) Heritage Principles:

- To preserve the Salt Building in its current location, and recognize the historic patterns of its former industrial use.
- To restore the Salt Building in a manner generally consistent with the standards and guidelines adopted by Parks Canada for Historic Sites.
- To recognize the historic connection of the Salt Building to False Creek.
- To retain the visibility of the roof structure from the interior of the Salt Building.

(b) Urban Design Principles:

- To capture the "Spirit of the Place" through planning and development guidelines that celebrate the unique natural, social and historical context of SEFC and the Salt Building.
- To create a strong visual and physical connection between the public plaza, the Salt Building and the future streetcar station.
- To encourage public access inside the Salt Building on an on-going basis.
- To introduce seating opportunities on the north and south frontages, both internal and external for the public to gather and interact.
- To animate all four edges of the building and contribute to a lively pedestrian environment.

(c) Sustainability Principles (Environmental, Social and Economic):

- To encourage vitality, diversity, and cultural richness in a manner that respects the history and context of SEFC and the Salt Building.
- To educate and promote awareness and understanding of the principles of sustainability, and how their implementation can occur.
- To ensure economic viability and vitality of the Project, and to create opportunities for employment and investment to ensure long term prosperity.
- To achieve a minimum level of LEED Silver, as required through the SEFC Green Building Strategy, with an additional 30% improvement in energy performance above existing City bylaws and an objective of LEED Gold.
- To integrate with the sustainable infrastructure designed for the SEFC neighbourhood including the energy and rainwater management systems, or creative collection and re-use of rainwater on site.

- To explore opportunities to showcase environmental demonstration projects such as grey water recycling, rainwater use indoors, composting toilets, solar energy recovery, etc.
- To conform to the objectives of universal, barrier-free access.
- To foster an atmosphere that encourages interaction across the diverse spectrum of residents, workers and visitors, resulting in a vibrant urban neighbourhood.
- To incorporate uses that enhance the public awareness of and promote environmentally, socially, economically, and culturally sustainable development through education, programming, use of space, and operating philosophy.
- To create employment opportunities for local and inner-city neighbourhoods through agreements in the areas of training, acquisition of goods and services, and construction opportunities ("Benefits Agreements").

(d) Olympic Village Principles:

• To make the Project available for use by VANOC during the Exclusive Use Period (November 1, 2009 to April 7, 2010).

In addition to the Guiding Principles developed for the RFEI, these more detailed Building Restoration and Re-Use Principles have been developed for inclusion in the RFP:

(e) Building Restoration Principles:

- To respect the design of the Salt Building's exterior when contemplating any changes. Building alterations that create areas of transparency are supportable, possibly along all sides of the building, if deemed to contribute positively to street activity and are compatible with the character defining elements as described in the Statement of Significance.
- To achieve a sense of "publicness" by introducing an internal north-south circulation route that is well scaled, obvious and visually engaging.
- To allow for multiple entrances to encourage public access during operating hours. Entrances are encouraged on the north and south elevations, and could be contemplated on the east and west elevations.
- To retain public views of the interior of the truss system, monitor roof, and the clerestory including the pane windows and cedar ventilation louvers. A mezzanine may be considered provided that public viewing opportunities of the clerestory and timber truss structure are retained.
- To retain the roof truss system.
- To not alter the foundations as restored by the City. A basement may be considered under the northern extension of the building.
- To respond to the character defining elements identified in the Statement of Significance. Any alterations should seek to minimize the loss of these elements.
- To ensure that all mechanical systems, including large fans and vertical exhaust, are carefully integrated with existing rooftop protrusions.
- To design new construction, including replacement of material, to be distinct but compatible with the character defining elements outlined in the Statement of Significance for the site.

- To ensure that costs of renovation and tenant improvements are carried by the developer as a part of the full restoration proposal.
- To ensure an economically sustainable project that anticipates on-going repairs and maintenance.

(f) Adaptive Re-Use Principles:

- To demonstrate the principles of economic, social and ecological sustainability.
- To encourage uses that help to establish the Salt Building as the social heart of the community.
- To encourage uses which generate a high public presence in and around the Salt Building throughout the day and into the evening.
- To encourage movement through the building between the proposed streetcar station at the southern edge of the building through to the public plaza to the north.
- To locate active uses, such as indoor and/or outdoor seating areas, along the northern and southern elevations of the building adjacent to the plaza.
- To allow for adaptive re-use of the building in a way that respects the heritage structure but also recognizes the evolution of uses housed in the building since the 1930's, including salt refining, food packing, and paper recycling.
- To ensure that the south elevation responds to the proposed streetcar station at the southern edge of the building.
- To minimize acoustic, emissions, light and privacy impacts on adjacent residential suites through careful distribution of building programming.
- To integrate Salt Building uses into a larger commercial and retail strategy for SEFC.



CITY OF VANCOUVER

REQUEST FOR EXPRESSIONS OF INTEREST 06056 FOR THE RESTORATION AND RE-USE OF THE SALT BUILDING 85 WEST FIRST AVENUE



Responses should be submitted on or before 2:00:00 P.M., Tuesday, April 25, 2006 to the attention of:

Jody L. Andrews, P.Eng. Project Manager, Southeast False Creek and Olympic Village c/o Real Estate Services 3rd Floor VanCity Building #300 - 515 West 10th Avenue Vancouver, B.C., V5Z 4A8

NOTES:

- 1. Responses are to be in a sealed envelope or package marked with the Respondent's Name, and the RFEI title and number.
- 2. The Closing Time will be conclusively deemed to be the time shown on the clock of the Real Estate Services Office.
- 3. DO NOT SUBMIT BY FAX.



Queries should be submitted in writing to the Contact Person at: FAX: 604-871-6856 E-Mail: jody.andrews@vancouver.ca

CITY OF VANCOUVER PROJECT OFFICE Southeast False Creek & Olympic Village

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CITY OF VANCOUVER PROJECT OFFICE Southeast False Creek & Olympic Village

1. INTRODUCTION

1.1 Purpose of this Request for Expressions of Interest

The City of Vancouver ("City") has issued this Request for Expressions of Interest ("RFEI") to seek expressions of interest for the restoration and subsequent re-use of the 1440 square metres (15,500 square feet) heritage building (the "Salt Building") located at 85 West First Avenue (the "Property"). The restoration and subsequent re-use of the Salt Building and the Property are referred to herein as the Project (the "Project").

The purpose of this RFEI is to:

- (a) invite submissions (the "Submissions", individually the "Submission") from interested parties (the "Respondents", individually the "Respondent") that describe the desire, expertise and capability of the Respondent to participate in the Project; and
- (b) identify a short list of Respondents (the "Short-Listed Respondents") that meet the City's evaluation criteria for participation in the Project.

This RFEI is intended to determine the range and level of interest of Respondents in the Project. After receiving the Submissions, the City will explore a conceptual framework for the Project. Respondents whose submissions meet the City's evaluation criteria will be selected as Short-Listed Respondents.

After selection by the City, Short-Listed Respondents will be invited to participate in the next stage for the development of the Project by preparing and submitting proposals (the "Proposals") in response to a formal written Request for Proposals ("RFP") issued for the Project. It is anticipated that the RFP process will result in a Short-Listed Respondent being selected to undertake the Project (such successful Short-Listed Respondent to be hereinafter referred to as the "Developer").

Only Short-Listed Respondents will be eligible to submit Proposals under the RFP.

1.2 Eligibility Requirements for Respondents

This RFEI is open to all interested parties, including registered non-profit societies (including cultural, social, environmental, and other not-for-profit groups).

1.3 Definitions

In this RFEI the following definitions will apply:

"Benefits Agreements" has the meaning set out in Section 2.5 (c);

"Canron Building" has the meaning set out in Section 2.1 (a);

"City" has the meaning set out in Section 1.1;

"City's Website" has the meaning set out in Section 4.2;

"Closing Time" has the meaning set out in Section 4.1;

"Contact Person" has the meaning set out in Section 4.5;

"Developer" has the meaning set out in Section 1.1;

"Evaluation Committee" has the meaning set out in Section 5.1;

"Exclusive Use Period" has the meaning set out in Section 2.2(a);

"Green Building Strategy" has the meaning set out in Section 2.2(b);

"Guiding Principles" has the meaning set out in Section 2.5;

"Information Meeting" has the meaning set out in Section 4.2;

"IOC" has the meaning set out in Section 2.3;

"International Zone" has the meaning set out in Section 2.3 (a);

"LEED Gold Standard" means the level of green building design achieved by meeting the Gold level requirements of the Leadership in Energy and Environmental Design ("LEED"), as adapted for British Columbia, established by the Canada Green Building Council ("CAGBC") incorporated by letters patent under the Canada Corporations Act effective December 5, 2002, or equivalent as determined by the City;

"LEED Platinum Standard" means the level of green building design achieved by meeting the Platinum level requirements of LEED, as adapted for British Columbia, established by the Canada Green Building Council incorporated by letters patent under the Canada Corporations Act effective December 5, 2002, or equivalent as determined by the City;

"LEED Silver Standard" means the level of green building design achieved by meeting the Silver level requirements of LEED, as adapted for British Columbia, established by the Canada Green Building Council incorporated by letters patent under the Canada Corporations Act effective December 5, 2002, or equivalent as determined by the City;

"Olympic Games" has the meaning set out in Section 2.3;

"Olympic Village" has the meaning set out in Section 2.2 (a);

"Project" has the meaning set out in Section 1.1;

"Project Information Package" has the meaning set out in Section 4.6;

"Property" has the meaning set out in Section 1.1;

"Proposals" has the meaning set out in Section 1.1;

"PST" has the meaning set out in Section 4.1;

"Residential Zone" has the meaning set out in Section 2.3 (a);

"Respondent" has the meaning set out in Section 1.1 (a);

"RFEI" has the meaning set out in Section 1.1;

"RFP" has the meaning set out in Section 1.1;

"Salt Building" has the meaning set out in Section 1.1;

"SEFC" has the meaning set out in Section 2.2 (a);

"SEFC ODP" has the meaning set out in Section 2.2 (a);

"Services" has the meaning set out in Section 2.2 (c);

"Short-Listed Respondents" has the meaning set out in Section 1.1 (b);

"SOS" has the meaning set out in Section 2.6 (g);

"Sub-Area 2A and Olympic Village" has the meaning set out in Section 2.2 (a);

"Submission" has the meaning set out in Section 1.1 (a); and

"VANOC" has the meaning set out in Section 2.3.

1.4 Interpretation

- (a) The section headings used in this RFEI are for convenience of reference only and do not affect its interpretation.
- (b) The terms "this RFEI", "hereof", "herein", "hereunder" and similar expressions refer, unless otherwise specified, to this RFEI taken as a whole and not to any particular section, subsection or other subdivision.
- (c) Words importing the singular number or masculine gender shall include the plural number or the feminine or neuter genders, and vice versa.
- (d) Words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

2. THE PROJECT

2.1 Background of the Project

(a) Historic Overview of Southeast False Creek

In the early 1900's, the False Creek shore was lined with sawmills, shingle mills and other construction industries. Coughlan's Shipyard was constructed on the site at the foot of Columbia Street during World War I, and built steel naval ships. This facility burned down in the 1920s; its wharf was not rebuilt until World War II. The Vancouver Salt Company constructed a building north of First Avenue, at the foot of Manitoba Street, in 1931, now known as the Salt Building. In 1935, on a site immediately to the west of the Salt Building, the Hamilton Bridge Company built a large steel fabrication plant on the former Coughlan's Shipyard site. This became known as the "Canron Building" which was used continuously for steel fabrication until 1990. The Canron Building was demolished in 1998. Rail spur lines extended from West First Avenue to the larger buildings and to the waterfront barge area. The northern site boundary with False Creek currently consists of gravel fill material, and most of the upland area is paved and level.

The majority of the site for the Olympic Village and the shoreline is fill that was layered down over a number of decades to facilitate the previous industrial use. Much of the site is north of the historic high water line for False Creek.

(b) The Salt Building

The Salt Building, which is a large, red, wood industrial building at 85 West First Avenue, was built in 1931 by the Vancouver Salt Company. Raw salt was shipped to Vancouver from the San Francisco Bay Area, where it was recovered from brine by solar evaporation. The operation changed to Arden Vancouver Salt Company Ltd. in 1970 and was later acquired by Domtar Ltd.. By the late 1980s the Salt Building was used for paper recycling: first by Belkin Paper Stock Ltd., and then by Paperboard Industries.

The raw salt was unloaded at Burrard Inlet and brought by scow to False Creek, where the Vancouver Salt Company semi-refined it by washing, drying, grinding, and sifting it into a coarse product for human consumption. The original market was as a preservative for the fishery, particularly the area's Asian-Canadian fish-packers. Subsequent uses included other kinds of food-packing, tanneries, cold-storage plants, and highway ice removal. By the 1950's, rail and then trucks replaced boats for receiving and shipping the salt.

The Salt Building was built between two lumber operations and mostly on a Cityowned water lot, with only the southwest corner situated above the historic high water line. The original structure, a block about 90 feet by 145 feet, is supported on piles. A complex roof truss system directs the loads onto columns in the lateral walls and down the centre, creating a large open space. A raised monitor roof has a clerestory to admit light and air.

The Salt Building was expanded to the north in 1954-55 (Wright Engineers Ltd.) to meet the growing demand for salt and the evolving refinery technology. New equipment was accommodated in part by building a roof over the existing 35-foot-deep apron at the rear, the former loading dock. The gable-roofed eastern portion held four large brine tanks, and the shed-roofed western part became a dry storage shed. A new hopper and conveyor were installed by the First Avenue loading dock,

since the raw salt now arrived by truck. The conveyor may have necessitated raising the roof, which would date the tall silo-like cap at the front to this time. Minor alterations were made in 1970 for the Arden Vancouver Salt Company Ltd. (Richard E. Cole, Engineer).

The replacement of the salt-processing machinery with paper-shredding equipment in 1987 reflects the growing importance of the recycling industry. Belkin Paper Stock Ltd. also clad the sides with galvanized steel and cut new doors in the north elevation (De Guriby Ltd., Engineers, and Amundson Construction Co. Ltd). The Salt Building stands empty today, displaying physical evidence of its evolution and its uses.

A structural assessment of the Salt Building, a report on the condition of the pile foundation, and a heritage assessment of the Salt Building are all included in the Project Information Package (refer to Appendix A).

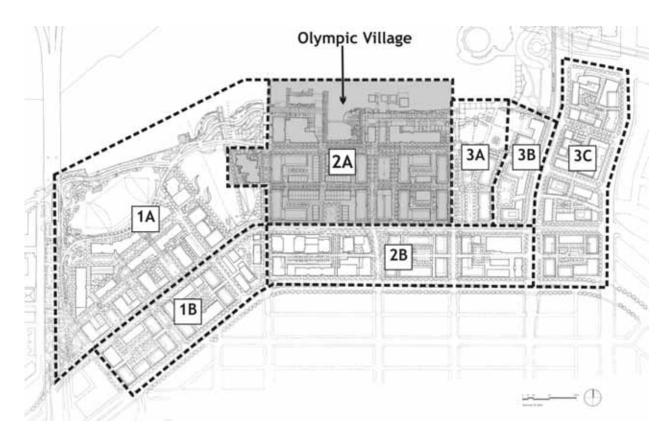
2.2 Council Policy and Resolutions for Southeast False Creek

(a) Southeast False Creek Official Development Plan

The Official Development Plan for Southeast False Creek ("SEFC ODP") Bylaw was enacted by Vancouver City Council on July 19, 2005 (and subsequent amendments were enacted on March 21, 2006). The SEFC ODP includes approximately 50 acres of City-owned land and 30 acres of privately-owned land. The City has set objectives for Southeast False Creek ("SEFC") for environmental, social and economic sustainability.

As its first priority, the City is rezoning and developing Sub-Area 2A of the SEFC ODP, which contains approximately 102,135 square metres of developable floor area and is illustrated in Figure One. Most or all of Sub-Area 2A will be used for the Olympic Village for the 2010 Winter Olympics (the "Olympic Village") from November 1, 2009 to April 7, 2010 (the "Exclusive Use Period"). The Olympic Village is intended to be a showcase of sustainable development.

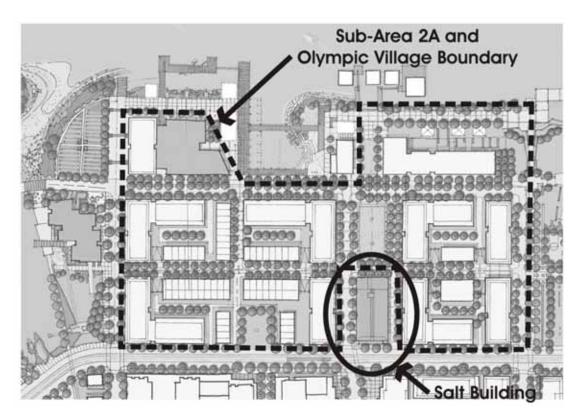
Figure One: Sub-Area 2A of the ODP including the Olympic Village



The process to select a developer for the development of the SEFC Sub-Area 2A including the Olympic Village ("Sub-Area 2A and Olympic Village") is nearly complete. The Request for Expressions of Interest process for the Sub-Area 2A and Olympic Village was concluded in October 2005. The short list of developers submitted a response to the Request for Proposals for the development of Sub-Area 2A and Olympic Village on March 3, 2006. Selection of a developer for Sub-area 2A and the Olympic Village is anticipated to occur in April 2006.

The Salt Building, which is the subject of this RFEI, was not included in the Sub-Area 2A and Olympic Village Request for Proposals. The location of the Salt Building is illustrated in Figure Two.

Figure Two: The Salt Building Location Relative to Sub-Area 2A and Olympic Village



(b) SEFC Green Building Strategy

A Green Building Strategy (the "Green Building Strategy") has been adopted for SEFC, which requires that all buildings on City-owned land be constructed to a minimum LEED Silver Standard, with an objective of LEED Gold Standard. Further, that one building on City-owned lands, likely the Community Centre, but not necessarily, be constructed to a minimum LEED Gold Standard, with an objective of LEED Platinum Standard. A copy of the Green Building Strategy and related Council approved Green Building Report dated July 8, 2004 are included in the Project Information Package.

The Green Building Strategy applies to commercial, institutional and industrial developments but may require modification to meet the heritage objectives of restoring the Salt Building.

(c) Services

The City is finalizing the designs for, and will install in 2006 and early 2007, most of the services for the Project, including the roads, water, sanitary sewer, rainwater and energy systems, and third party utilities (the "Services"). Those portions of the Services not installed in 2006 and 2007, such as the finished road surfaces, sidewalks and street furniture, are planned to be installed by the City in 2009. Construction of the Services adjacent to the Property are planned to begin in the next few months. As a result some foundation work may be required, at the City's expense, to stabilize the building.

The Project should be designed to use the hydronic heat neighbourhood energy system currently under development and to creatively deal with rainwater falling on the Property. Options for rainwater include rainwater re-use in the building or storage on or off site in a cistern for supplementing the proposed water feature in the village plaza.

2.3 2010 Winter Olympic Games

On July 3, 2003, the International Olympic Committee ("IOC") announced that the City of Vancouver would host the 2010 Olympic and Paralympic Winter Games (the "Olympic Games"). Sub-Area 2A in SEFC was identified as the optimal location for the Olympic Village for athletes' competing in Vancouver. The Salt Building falls within the boundaries of the Olympic Village and may be used by the Vancouver Organizing Committee for the Olympic and Paralympic Winter Games ("VANOC") during the Exclusive Use Period.

(a) Olympic Village

The Olympic Village is divided into two zones, the international zone ("International Zone") and the residential zone ("Residential Zone"). The International Zone includes ceremonial and commercial services that may be used by athletes, media and guests that are provided access to the Olympic Village by way of a day pass. The Residential Zone includes the athlete accommodations and a variety of services specifically for the athletes. Media and guests are not permitted in the Residential Zone to maximize privacy for the athletes. Services in the Residential Zone provide for the recreational, leisure, cultural, religious, medical and administrative needs of the athletes. Supply operations and services will be located to the west, and the transportation mall will be located to the east. The Salt Building is on the southern boundary of the Residential Zone.

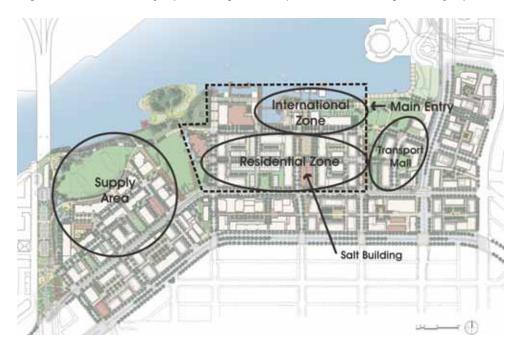


Figure Three: The Olympic Village Conceptual Plan during the Olympic Games

(b) The Exclusive Use Period

During the Exclusive Use Period all buildings in Olympic Village, including the Salt Building, will be turned over to the City. The City will then allow VANOC to use the building for the Olympic Games. VANOC's use of the Olympic Village during the Exclusive Use Period is governed by an agreement between VANOC and the City. Prior to the end of the Exclusive Use Period, no occupancy or use of the Salt Building, by the Developer, its agents, tenants or any party having acquired interests in the Project from the Developer will be permitted unless agreed to by the City. Following the Exclusive Use Period, VANOC will return the Salt Building to the City in the same condition as it was in prior to the Exclusive Use Period, reasonable wear and tear excepted. The City will then return the Salt Building to the Developer, and the building will be completed by the Developer to its permanent configuration.

The City may consider proposals from the Developer with respect to the use of the Salt Building during the Exclusive Use Period.

The City will pay all reasonable costs incurred by the Developer as a result of the Developer not being able to occupy the improvements during the Exclusive Use Period.

2.4 City Objectives for the Project

The City is interested in exploring development options for the Project wherein the Developer will, at a minimum:

- restore the Salt Building as a heritage building including foundations, floor, and superstructure; and
- propose uses that are compatible with the SEFC ODP and the Guiding Principles set out in Section 2.5 of this RFEI,

while remaining in compliance with the applicable City bylaws and zoning in place at the time of development. The Project will be part of the new CD-1 rezoning to be proposed and completed by the successful short-listed respondent for the Sub-Area 2A and Olympic Village RFP, which is anticipated to be in place by Fall 2006.

The City will consider either sale or lease of the Property and the Salt Building.

2.5 Principles for the Project

The following guiding principles (the "Guiding Principles") are based on the vision, principles and strategies contained in the SEFC ODP and related Council policies, and are applicable to SEFC and the Project:

(a) Heritage Principles:

- To preserve the Salt Building in its current location, and recognize the historic patterns of former industrial use.
- To restore the Salt Building in a manner consistent with the standards and guidelines adopted by Parks Canada for Historic Sites.
- To recognize the historic connection of the Salt Building to False Creek.
- To retain the visibility of the roof structure from the interior of the building.

(b) Urban Design Principles:

- To capture the "Spirit of the Place" through planning and development guidelines that celebrate the unique natural, social and historical context of SEFC and the Salt Building.
- To create a strong visual and physical connection between the public plaza and the Salt Building.
- To encourage public access inside the building on an on-going basis.

(c) Sustainability Principles (Environmental, Social and Economic):

- To encourage vitality, diversity, and cultural richness in a manner that respects the history and context of SEFC and the Salt Building.
- To educate and promote awareness and understanding of the principles of sustainability, and how their implementation can occur.
- To ensure economic viability and vitality of project, and to create opportunities for employment and investment to ensure long term prosperity.
- To achieve a minimum level of LEED Silver, as required through the SEFC Green Building Strategy, with an additional 30% improvement in energy performance above existing City bylaws.
- To integrate with the sustainable infrastructure designed for the SEFC including the energy and rainwater management systems, or creative collection and re-use of site rainwater.
- To explore opportunities to showcase environmental demonstration projects such as grey water recycling, rainwater use indoors, composting toilets, solar energy recovery, etc.
- To conform to the objectives of universal, barrier-free access.
- To foster an atmosphere that encourages interaction across the diverse spectrum of residents, workers and visitors, resulting in a vibrant urban neighbourhood.
- To incorporate uses that enhance the public awareness of and promote environmentally, socially, economically, and culturally sustainable development through education, programming, use of space, and operating philosophy.
- To create employment opportunities for local and inner-city neighbourhoods through agreements in the areas of training, acquisition of goods and services, and construction opportunities ("Benefits Agreements").

(d) Olympic Village Principles:

• To make the Project available for use by VANOC during the Exclusive Use Period.

- 2.6 Project Information
- (a) Size of Property and Building Area:

Property Size: approximately 28.0 x 62.0 metres with two dedicated corner-cuts approximately 1,734 m² (approx. 18,665 ft²)

Existing Building Area: approximately 1440 m² (approximately 15,500 ft²)

(b) Legal Description:

Sub-Area 2A, including the Olympic Village, is currently consolidated into one large lot. The legal description for the consolidated lot is:

Lot 310 except portion on Plan BCP20732, False Creek, Plan BCP20731

An application to subdivide Lot 310 is currently under review by the Approving Officer. The preliminary subdivision plan is included in Appendix A - Project Information Package. Upon registration of the subdivision plan at the New Westminster Land Title Office, the legal description of the parcel containing the Salt Building will change.

(c) Property Taxes:

Although the Property is exempt from property taxes while owned by the City, on sale or lease by the City of any portion of the Property, the property taxes, or an amount in lieu of property taxes, will be payable.

(d) Zoning:

The Property is currently zoned M-2 Industrial, but falls within the SEFC ODP area. The City intends for the developer of Sub-Area 2A and Olympic Village to achieve rezoning for the Property by way of a CD-1 Bylaw according to the permitted uses as set out in the ODP. A copy of the SEFC ODP is included in the Project Information Package.

(e) Environmental Status of the Project:

The City intends to take responsibility for the environmental approvals related to the soils for the Project and for any additional costs the Developer will incur for soil remediation or in-situ management, within the parameters set by the City.

The Approval in Principle for the Soil Remediation Plan for the City-owned lands in SEFC was issued by the Ministry of Water, Land and Air Protection on June 14, 2005, and is included in the Project Information Package.

(f) Salt Building Foundation:

The City commissioned Stantec and Levelton Consultants in January 2006 to examine the piles which comprise the foundation of the Salt Building. The study explored the existing condition of the piles and put forth options to structurally upgrade or replace the foundations. A copy of this report is included in the Project Information Package.

The Developer is expected to ensure that the Salt Building's foundation is upgraded to meet the Building Code.

(g) Statement of Significance:

A Statement of Significance ("SOS") was completed for the Salt Building by Commonwealth Historic Resource Management in April 2004. Refer to the SOS when determining the restoration approach for the building. The SOS is attached in the Project Information Package (Appendix A).

2.7 Project Timetable

(a) Selection of Developer - the City anticipates that the selection of the Developer will proceed along the following timetable:

ACTIVITY	DATE
Information Meeting for RFEI	April 6, 2006
Closing Time for Submissions	April 25, 2006
Announcement of Short-Listed Respondents	Early May 2006
Issuance of RFP	Early June 2006
Deadline for RFP Proposals	July 2006
Selection of Developer	July to September 2006

(b) Timeline for Development - the City anticipates that the Project will proceed approximately along the following timetable:

ACTIVITY	DATE
Road Construction / Site Services	April 2006 to April 2007
Rezoning	Fall 2006
Permitting	Fall 2006 to Summer 2007
Restoration Work	Summer 2007 to Spring 2009
Occupancy Permit Issued	Spring to Summer 2009
Olympic Village Exclusive Use Period	Nov 1, 2009 - April 7, 2010
Salt Building Returned to the Developer	April 2010

3. SUBMISSION REQUIREMENTS

Only complete Submissions should be submitted. Partial Submissions may not be considered.

A Submission may be in any form and should include the information requested in Section 3.1. Respondents are to submit eight (8) copies of their Submission in a sealed envelope or package marked with the Respondent's name and RFEI title and number, prior to the Closing Time and to the location indicated on the cover page of this RFEI.

Respondents should submit Appendix C - Response Notification Form by April 18, 2006, one (1) week prior to the Closing Time.

3.1 Submission Requirements

The following information should be included in each Submission:

- (a) letter of introduction, including name and address of Respondent;
- (b) statement of purpose and mandate of Respondent;
- (c) if applicable, confirmation of non-profit and/or charitable status and date of society's, corporation's or partnership's creation, description of governance structure including identifying any related societies, society=s mandate, list of board members and staff;
- (d) information on Respondent's key personnel, executive director and development consultant, if any;
- details of Respondent's current activities, including programs or services provided: list of all like projects operated by Respondent by name, address, number of tenants, clientele served, and locations where each program or service is delivered;
- (f) details of experience in working with complicated projects and partnerships;
- (g) latest audited financial statements, identifying all funding sources;
- (h) details of community linkages and possible or confirmed partnerships;
- strategy for undertaking the Project, including objectives, philosophy and desired outcomes and ability to address the Guiding Principles for the Project, specifically addressing the treatment of the interior and the exterior of the building;
- (j) details on the proposed use, with a breakdown of floor area requirements and, if proposed basement floor area, and an indication of any tenants or partners;
- (k) indication of willingness to create local and inner-city employment opportunities through Benefits Agreements;

- (I) indication of commitment to the use of the Project during the Exclusive Use Period by VANOC, and any proposals the Respondent may have for with respect to the Salt Building during the Exclusive Use Period; and
- (m) indication of whether the Respondent proposes to use salvaged and local materials and supplies on the Project.

A Respondent may, at its option, include in its Submission a list of any issues or constraints that the Respondent considers the City should be aware of concerning its Submission or the Project.

The Developer will be expected to source financing and lead the restoration of the Project, save for any restoration work the City has agreed to undertake, and manage the use of the Project.

4. INSTRUCTIONS TO RESPONDENTS

4.1 Important Dates and Times

Information Meeting:	1:30 P.M., Pacific Standard Time ("PST") Thursday, April 6, 2006 Committee Room 1, 3rd Floor City Hall 453 W 12 th Ave Vancouver, B.C. V5Y 1V4
Closing Time:	2:00:00 P.M. PST Tuesday, April 25, 2006 ("Closing Time")

4.2 Information Meeting

The City will host an information meeting with respect to this RFEI at 1:30 P.M. (PST) on Thursday, April 6, 2006, in Committee Room 1 on the third floor of City Hall (the "Information Meeting"). The location and time of the Information Meeting will be posted on the City's website (the "City's Website") at http://www.city.vancouver.bc.ca. It is recommended that all potential Respondents attend the Information Meeting. Respondents should complete Appendix D -Information Meeting Attendance Form and fax it to Kirsten Robinson at 604-871-6856 by April 3, 2006.

4.3 Delivery of Submissions

Submissions should be in a sealed envelope marked with the Respondent's name and RFEI Title and number, and addressed and delivered by courier on or before the Closing Time to:

Jody L. Andrews, P.Eng. Project Manager, Southeast False Creek and Olympic Village c/o Real Estate Services 3rd Floor VanCity Building #300 - 515 West 10th Avenue Vancouver, B.C., V5Z 4A8

4.4 Late or Faxed Submissions

Submissions received after the Closing Time may not be considered and may be returned unopened to the Respondent. Faxed Submissions may not be accepted.

4.5 Contact Person

All enquiries related to this RFEI are to be directed, in writing, to the following person ("Contact Person"):

Mr. Jody L. Andrews, P.Eng. Project Manager, Southeast False Creek and Olympic Village Fax: (604) 871-6856 Email: jody.andrews@vancouver.ca

4.6 Inquiries / View of Property

It is the responsibility of the Respondent to thoroughly examine these documents and satisfy itself as to the full requirements of this RFEI. Inquiries are to be in written form only, faxed to 604-871-6856 or e-mailed to jody.andrews@vancouver.ca to the attention of the Contact Person before the Closing Time. If required, an addendum will be issued to all registered parties and may at the discretion of the Contact Person be posted on the City's Website.

At the discretion of the Contact Person, questions and answers from the Information Meeting may be posted on the City's Website, and/or mailed to the registered parties.

After the Information Meeting, the City may, at is discretion, convene a further information meeting.

A copy of the material listed in the Appendix A, the project information package ("Project Information Package") that is not available on the City's Website is available without charge from the City by telephone or email request to the Contact Person.

Arrangements to view the Property should be made by telephone or email to the Contact Person.

Information obtained from any source other than the Contact Person is not official and should not be relied on.

4.7 Revisions to Submissions

Submissions may be revised by written amendment, delivered to the location set out for delivery of Submissions, before the Closing Time.

4.8 Addenda

This RFEI may only be amended by written addenda issued by the Contact Person.

4.9 Ownership of Submissions/Confidentiality

All Submissions submitted to the City become the property of the City, and the information in Submissions will be disclosed as necessary to carry out the RFEI process or as required by law, including the *Freedom of Information and Protection of Privacy Act.*

The contents of all Submissions will be subject to public disclosure, except that any part of a Submission that would reveal a Respondent's financial information or third party confidential lease negotiations will be kept confidential by the City if the Respondent has clearly indicated that such part of the Submission has been provided in confidence.

5. EVALUATION OF SUBMISSIONS

5.1 Evaluation Committee

A team of professionals from the City (the **I**Evaluation Committee**@** will be assembled to review and evaluate all Submissions.

The Evaluation Committee will use the criteria in this Section 5 to short-list Respondents. The Evaluation Committee may, in addition to the evaluation criteria described in this Section 5, apply other evaluation criteria which the Evaluation Committee considers relevant during the evaluation process. The Evaluation Committee will apply the same criteria to the evaluation of all Submissions.

A Respondent may be requested to meet with the Evaluation Committee to provide additional information.

The Evaluation Committee will recommend Short-Listed Respondents to City Council for approval.

5.2 Evaluation Criteria

The Evaluation Committee will recommend a short list of Respondents on the basis of the following criteria:

- (a) the Respondent's ability to meet the requirements set out in this RFEI and particularly to meet the Guiding Principles listed in Section 2.5;
- (b) the Respondent's operation experience with other similar projects;
- (c) the Respondent's expertise and management philosophy;

- (d) the Respondent's capacity to undertake and complete the Project;
- (e) the Respondent's community linkages and partnership capability;
- (f) the Respondent's financial capability and ability to pay capital and ongoing operating and maintenance costs;
- (g) the Respondent's willingness to work with the City and VANOC to ensure the availability of the Salt Building for the Exclusive Use Period;
- (h) the Respondent's business reputation, years in operation, and the experience of its personnel; and
- (i) the Respondent's proposed use of the Project.

6. GENERAL CONDITIONS

6.1 No Contract

By submitting a Submission and participating in the process as outlined in this RFEI, Respondents expressly agree that no contract of any kind is formed under, or arises from, this RFEI or its submission, and that no legal obligations arise.

6.2 Respondent's Costs and Expenses

Respondents are solely responsible for their own costs and expenses in preparing and submitting a Submission and participating in this RFEI.

6.3 No Claims

The City and its officials, officers, employees, agents, consultants and advisors will not be liable to any Respondent, or any firm, corporation or individual member of a Respondent, for any claims, whether for costs, expenses, losses or damages, or loss of anticipated profits, or for any other matter whatsoever, incurred by the Respondent, or any firm, corporation or individual member of a Respondent, in preparing and submitting a Submission or any other activity related to or arising out of this RFEI.

6.4 Accuracy of Information

The City gives no representation whatsoever as to the accuracy or completeness of any of the information set out in this RFEI, or any other background or reference information or documents prepared by third parties and made available to the Respondents. Respondents will make an independent assessment of the accuracy and completeness of such information and will have no claim whatsoever against the City, or its officials, officers, employees, agents, consultants and advisors, with respect to such information.

A Respondent should obtain a copy of the information package for the restoration of the Salt Building which contains the material listed below that are not available on the City's Website:

- (a) Official Development Plan Bylaw for Southeast False Creek, July 19, 2005 (http://www.city.vancouver.bc.ca/commsvcs/bylaws/odp/SEFC.pdf);
- (b) Policy Report, *Southeast False Creek Official Development Plan*, dated December 3, 2004 (<u>http://vancouver.ca/ctyclerk/cclerk/20050301/ph3.htm</u>);
- (c) Policy Report, *Southeast False Creek Redevelopment: Financial Plan and Strategy*, dated January 17, 2005 (<u>http://vancouver.ca/ctyclerk/cclerk/20050301/ph1.htm</u>);
- Policy Report, Sustainability Indicators, Targets, Stewardship and Monitoring for Southeast False Creek, dated January 17, 2005 (http://vancouver.ca/ctyclerk/cclerk/20050301/ph2.htm);
- (e) Minutes of City Council meeting March 1, 2005 (<u>http://vancouver.ca/ctyclerk/cclerk/20050301/regmin.htm</u>);
- (f) Policy Report, *Developing a Green Building Strategy for the City of Vancouver*, dated July 8, 2004 (<u>http://.vancouver.ca/ctyclerk/cclerk/20040708/pe5.pdf</u>);
- (g) Minutes of City Council meeting, July 8, 2004 (http://.vancouver.ca/ctyclerk/cclerk/20040708/pemin.htm);
- (h) Southeast False Creek Green Building Strategy, City of Vancouver, November 2005;
- Southeast False Creek Policy Statement, October 1999 (<u>http://vancouver.ca/commsvcs/currentplanning/sefc/intro_page.htm</u>);
- (j) *Revised Site Plan for Southeast False Creek Official Development Plan Area*, by PWL Architecture, dated May 5, 2005;
- (k) Southeast False Creek Development Domtar Salt Building Foundation Investigation, Stantec, February 17, 2006;
- (I) *Structural Report on the Domtar Salt Building*, Rockingham Engineering Limited, December 1998;
- (m) Vancouver Salt Company Building 85 West First Avenue Statement of Significance, by Commonwealth Historic Resource Management, draft April 2004;
- (n) *Foreshore Lands, Southeast False Creek, Vancouver Statement of Significance*, by Commonwealth Historic Resource Management, September 2004;
- (o) *Salt Building Graphics,* Stantec, draft March 2006;
- (p) Southeast False Creek Subdivision Plan, March 3, 2006;
- (q) Approval in Principal for Soil Remediation Plan, from Ministry of Water, Land and Air Protection, dated June 14, 2005;

- (r) Department of Fisheries and Oceans Canada, *Authorisation for Works or Undertakings Affecting Fish Habitat*, dated November 25, 2005;
- (s) Vancouver 2010 Olympic Village draft Olympic Overlay January 17, 2006; and
- (t) Southeast False Creek Environmental Studies: water and waste 2002, energy 2002, urban agriculture 2002, transportation 2003, merge (summary) 2003, LEED benchmarking 2003 (http://vancouver.ca/commsvcs/southeast/background.htm).







CITY OF VANCOUVER SOUTHEAST FALSE CREEK & OLYMPIC VILLAGE PROJECT OFFICE

Request for Expressions of Interest No. RFEI 06056 The Restoration and Re-use of the Salt Building 85 West First Avenue

To acknowledge your intent to submit a Response, and to ensure that you receive the required information, please submit this form to the person identified below before close of business day, Tuesday, April 18, 2006.

Kirsten Robinson Project Planner City of Vancouver Fax: (604) 871-6856 Email: Kirsten.robinson@vancouver.ca

Your details:		
Respondent's Name:		
	"Respondent"	
Address:		
Telephone:	Fax:	
Key Contact Person:		
E-mail:		

We WILL / WILL NOT submit a response for

1. "RFEI 06056 - For the Restoration and Re-use of the Salt Building 85 West First Avenue". by the Closing Time (Tuesday, April 25, 2006 at 2:00:00 P.M.).

Authorized Signatory and Name of Company (Please print)

E-mail Address (Please print)

Date



CITY OF VANCOUVER SOUTHEAST FALSE CREEK & OLYMPIC VILLAGE PROJECT OFFICE

Request for Expressions of Interest No. RFEI 06056 The Restoration and Re-use of the Salt Building 85 West First Avenue

To acknowledge your intent to attend the Informational Meeting being held, and to ensure that you receive the required information, please submit this form to the person identified below before close of business day, Monday, April 3, 2006.

Kirsten Robinson Project Planner City of Vancouver Fax: (604) 871-6856 Email: Kirsten.robinson@vancouver.ca

Your details:		
Respondent's Name:	"Respondent"	
Address:		
Telephone:	Fax:	
Key Contact Person:		
E-mail:		

We <u>WILL / WILL NOT</u> attend the informational meeting for "RFEI 06056 - For the Restoration and Re-use of the Salt Building 85 West First Avenue".

Authorized Signatory and Name of Company (Please print)

E-mail Address (Please print)

Date