



REPORT

Report Date: July 23, 2019
Contact: Alix Sales/ Kristen Lambertson
Contact No.: 604.871.6038
RTS No.: 13033
VanRIMS No.: 08-2000-20
Meeting Date: March 10, 2020
[Submit comments to Council](#)

TO: Vancouver City Council

FROM: General Manager of Arts, Culture and Community Services in consultation with the General Manager of Real Estate and Facilities Management

SUBJECT: Cultural Services – 825 Pacific Street Multi-Purpose Arts and Culture Hub
Cultural Amenity – Tenant Selection and Lease Terms

RECOMMENDATION

- A. THAT Council approve B.C. Artscape Society (“BC Artscape”) as the not-for-profit tenant (the “Tenant”) of the future City-owned stand-alone building at 825 Pacific Street, Vancouver, legally described as: PID: 030-258-812 Lot A, Block 111, District Lot 541, New Westminster District Plan EPP72620 (the “Premises”);
- B. THAT Council approve the Offer to Lease (the “Offer”) attached hereto as Appendix “A” and authorize the Director of Real Estate Services to negotiate and execute a lease (the “Lease”) with the Tenant as contemplated in the Offer, all drawn to the satisfaction of the Director of Real Estate Services, the Director of Legal Services and the Managing Director of Cultural Services;

FURTHER THAT as the rent under the Lease for the Premises will be below the applicable market rate and includes non-collection of rent-in-lieu of property taxes, Recommendation B constitutes a grant valued at approximately \$927,000 per annum based on the first year of the term and requires an affirmative vote of two-thirds of Council members per *Vancouver Charter* S.206(1);

- C. THAT, pursuant to Section 206 (1) (j) of the *Vancouver Charter*, Council deems that B.C. Artscape Society, though not a charity registered with the Canada Revenue Agency, is a registered non-profit society contributing to the culture of Vancouver;
- D. THAT the City will not be obligated or legally bound as a result of Council's adoption of Recommendations A or B above unless and until all legal documentation has been executed and delivered by the respective parties.

REPORT SUMMARY

This report recommends that Council approve the Offer and authorise staff to enter into the Lease with BC Artscape as Tenant of a new cultural amenity space currently under construction at 825 Pacific Street, which will be developed as a shared multi-tenant, multi-purpose arts and culture hub, as per the terms provided in this report.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- On February 21, 2017 (RTS No. 11757), Council approved a cultural amenity bonus for a rezoning at 1380-1382 Hornby Street and 801 Pacific Street (now known as 825 Pacific Street) that included the transfer to the City of a parcel of land and a stand-alone building designed and constructed as a 21,050 square foot multi-tenant and multi-purpose arts and culture hub.
- On July 10 2018, Council approved *Making Space for Arts and Culture: Cultural Infrastructure Plan*. Informing the larger *Creative City Strategy*, the plan optimizes City policies, tools, programs, and investment priorities that enable affordable and accessible space for arts and culture. See links here:
<https://council.vancouver.ca/20180710/documents/rr1bpresentation.pdf>
<https://council.vancouver.ca/20180710/documents/rr1b.pdf>
- On September 11, 2019, Council approved *Making Space for Arts and Culture: Cultural Infrastructure Plan* as part of Vancouver's new Culture plan, *Culture|Shift: Blanketing the City in Arts and Culture*. *Making Space* lays out the City's long-term long term vision and commitment to address acute space challenges. See links here:
<https://council.vancouver.ca/20190910/documents/ACCS-RTS13175-AppendixD-MakingSpaceforArtsandCulture.PDF>
<https://council.vancouver.ca/20190910/documents/rr1.pdf>
<https://council.vancouver.ca/20190910/documents/ACCS-RTS13175-AppendixC-CultureShift.PDF>

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

Enabling partnerships to build affordable, accessible, and sustainable long-term arts and cultural spaces is one of Vancouver's key cultural objectives. *Making Space for Arts and Culture* sets Vancouver's first cultural infrastructure targets with an overall goal of 800,000 square feet of affordable, preserved, renewed, expanded, or new space over the next ten years. This new downtown cultural space hub provides an opportunity to optimize shared space and services with much needed production, rehearsal, and presentation space—meeting several of the priorities outlined in the City's targets. BC Artscape's practice of stakeholder engagement will ensure the facility is rooted in community, collaboration and shared spaces.

REPORT

Background/Context

Cultural facilities are essential to providing balanced whole communities. With rapid growth and displacement of existing arts and cultural spaces it is particularly difficult for artists and non-

profit arts and cultural organizations to find affordable, accessible and safe work spaces. In addressing this space need, the City seeks partnering opportunities with private development on major rezoning projects to secure affordable arts and cultural facilities through community amenity contributions.

Within *Making Space for Arts and Culture's* (2019-2029) ten year overarching target of 800,000 square feet of cultural space, staff identified targets of 650,000 square feet of new, expanded or repurposed cultural space, and 400 units of housing, no net loss of space and 150,000 square feet of renewed space. Since setting these targets the City has delivered 10,800 square feet of artist production space which was launched in the fall of 2019 at 1265 Howe Street. 825 Pacific is one of six cultural amenity projects underway totaling 61,350 square feet.

Table 1 – 10 Year Cultural Space Targets and Projects Underway or Completed (2019-2029)

Target	Usage	Location	Status	Sq./ft.
Growth: 650,000 sq./ft. of New, Expanded or Repurposed	Artist production space	1265 Howe Street	Completed 2019	10,800
	Multi-purpose arts and culture hub	825 Pacific Street	Underway - completion expected 2021	21,050
	Music production space	1616 West 7th Avenue	Approved by Development Permit Board	6,000
	Shared production space	1837-1847 Main Street	Under construction - completion expected 2021	4,000
	Artist production space	Oakridge Civic Centre	In process - expected completion TBD	2,300
	Theatre	Oakridge Civic Centre	In process - expected completion TBD	8,000
	Music presentation centre	Northeast False Creek Plaza of Nations	Rezoned - expected completion 2026	20,000
	Delivered or in process			72,150
	Remaining			577,850
Housing: 400 Units of Artist Social Housing	Artist Social Housing	1837-1847 Main Street	Under construction - completion expected 2021	30 units
	Remaining			370

In 2017, the City secured a cultural amenity space (the Premises) at 825 Pacific Street, formerly known as 801 Pacific Street. The Premises is part of a major development project that includes a 39-storey market residential tower and the relocation of the heritage Leslie House on the adjacent site. The developer Grosvenor Americas is currently in the early stages of preparing the sites for development. The Premises will be a stand-alone building located on its own parcel of land, separate from the residential development and heritage house relocation site.

Early in the redevelopment process, Grosvenor Americas commissioned BC Artscape to review the viability of a stand-alone cultural facility. This included mapping local cultural assets and

consultation with residents, businesses, artists, social service providers and cultural organizations. A feasibility study concluded that a multi-tenant arts and culture hub could make efficient and operationally viable use of the proposed floor areas.

Located in the downtown core, the Premises will complement other cultural venues in Downtown South including the new Howe Street Studios at 1265 Howe Street, The Cinematheque, Cineworks, The Dance Centre, and the Vancouver International Film Centre. The Premises will serve as a connection to the adjacent downtown entertainment district and Granville Island, helping to animate the emerging cultural neighbourhood. In addition, the Premises will provide urgently needed artist studio space, presentation space, and administrative space for cultural organizations, as well as offer the potential to reduce operational costs through colocation.

The Premises will contain approximately 21,050 gross square feet of shared multi-tenant and multi-purpose arts and culture space. With designated ground floor presentation space, plus six floors of rehearsal, production and ancillary office space, it will support the activities of Vancouver-based artists, cultural practitioners, and arts and cultural organizations. It is estimated that the Premises will be completed in summer 2021, at which time the Premises will be transferred to the City.

The Premises will be constructed to Passive House standards in accordance with the Zero Emissions Building Plan (see: <https://vancouver.ca/files/cov/zero-emissions-building-plan.pdf>). To achieve Passive House certification, a building must demonstrate high levels of energy efficiency and occupant comfort. The Premises will be one of the first concrete, non-residential buildings in B.C. to achieve these standards.

This community amenity space requires the Tenant to undertake interior finishing costs estimated up to \$3,000,000, prior to occupancy. The developer will transfer the Premises to the City as a “warm shell,” with minimal interior finishes (it will not include flooring, room demising, HVAC distribution, specialized equipment, appliances, systems, and accessories). The Tenant will be responsible for fundraising as well as implementing the improvements.

In addition, the Premises was envisioned by staff at the time of rezoning as a stand-alone cultural hub with a long term lease of sixty (60) years. The Tenant would take on the responsibility for the life cycle replacement of the building interior and interior systems while the City would retain responsibility for the exterior building life cycle replacement.

Tenant Selection Process

In winter 2018/2019, staff conducted an open tenant selection process for the cultural amenity space. A Request for Proposals (the “RFP”) (see <https://vancouver.ca/parks-recreation-culture/lease-opportunity-at-825-pacific-street.aspx> or Appendix B) was issued on November 5, 2018, and an information session about the space and process was conducted to allow applicants to see the designs and ask questions of staff, the developer and the architect.

Established Vancouver-based arts and culture non-profit organizations, charities, co-ops and First Nations Band Councils were eligible and submissions were reviewed by a selection committee consisting of community peers and staff.

Submissions were evaluated against specific assessment criteria, including a strong vision contributing to and reflective of Vancouver’s greater cultural ecology. Proposals were evaluated

in their ability to demonstrate an investment in increased accessibility, representation and participation by Vancouver’s diverse arts and cultural communities, and that they met the following space needs as identified in *Making Space for Arts and Culture: Cultural Infrastructure Plan, 2018*:

- studios, production, rehearsal, and presentation spaces; and
- mixed-use, multi-tenant, co-located hubs, including cultural/social non-profit hubs, to provide administration space, home bases, and shared services.

Proponents were also required to demonstrate strong organizational capacity and operational and financial vitality. Plans for the Premises needed to demonstrate the provision of secure and affordable access, and an ability to adapt and grow. Proposals were also evaluated on the organization’s ability to fundraise and plan for the capital improvements required for the fitting out and furnishing of the Premises.

Strategic Analysis

The Selection Committee was unanimous in recommending BC Artscape as the Tenant of the Premises. BC Artscape is a not-for-profit organization that develops and operates affordable spaces serving the needs of artists and arts organizations, as well as the local communities in which they are located.

BC Artscape currently operates BC’s largest community cultural hub—the Sun Wah project in Vancouver’s Chinatown. In this building, 70+ tenants—a mix of cultural and social organizations, artists and community groups—are provided access to 48,000 square feet of affordable and secure space. BC Artscape is also partnering with the Community Land Trust Foundation of BC to operate another City-owned cultural amenity space at 1837-1847 Main Street. They will operate 30 units of social housing for artists and 4,000 square feet of production space.

Within each of its infrastructure projects, BC Artscape aims to achieve:

- affordable spaces with secure tenure;
- a responsive and accurate reflection of the local community;
- space for artists, cultural organizations and community members to share resources and collaborate; and
- a self-sustaining financial model that privileges affordability.

BC Artscape will develop the Premises into a cultural space through a process of engagement with stakeholders from the arts and culture community, including underrepresented and/or underserved communities, and an understanding of the neighbourhood cultural landscape. The Premises will provide affordable and secure space for artistic production and presentation, as well as administration and access to shared services. The multi-tenant hub will provide a platform for collaboration and space for publicly accessible cultural events and programming.

BC Artscape has demonstrated the ability to fundraise for the Premises’ required tenant improvements and start-up expenses, having successfully raised \$5,000,000 in capital funding to repurpose the Sun Wah building for arts and culture use. While tenant improvements are currently estimated at \$3,000,000, the Premises’ final improvement costs will only be determined through the sub-tenanting process. At that point, BC Artscape will be able to clarify public (including provincial and federal support) and private levels of funding. Working with the City, BC Artscape may also explore naming rights of the Premises, (as per the City of Vancouver Naming Rights Policy, Civic Community Facilities, see:

https://parkboardmeetings.vancouver.ca/2007/070212/a1_a2_naming_policy.pdf) in exchange for financial support to complete the improvement costs.

The Tenant's ability to secure bank loans for the improvements to the Premises is restricted. As similar to most cultural non-profits in Vancouver, the Tenant does not have equity to offer as a loan guarantee. BC Artscape intends to fundraise to other levels of government for the funding required for the upgrades, including returning to the City for funding under the Cultural Infrastructure Grant Program which is subject to approval by Council.

In addition to being responsible for the tenant improvements, BC Artscape is responsible for life cycle replacement of building interior and systems. As such, BC Artscape has proposed that it will establish a capital replacement fund to cover these additional replacement costs. In discussions with staff they have noted that until the subtenant plan is in place for the Premises and estimated operational costs of this new stand-alone facility are confirmed – the amount that can reasonably be set aside on an annual basis for life cycle replacement cannot be confirmed. The priority is to balance affordability for the arts and cultural subtenants against sound long term operational sustainability.

BC Artscape and Cultural Services staff will work together to monitor the first several years of operations. In addition to ensuring that BC Artscape develops a feasible and efficient operating and capital maintenance plan, the City will evaluate BC Artscape's annual reports, reviewing progress and any unforeseen associated costs. The City and BC Artscape will be able to evaluate a practical replacement plan that allows BC Artscape to maintain affordable rental fees. This amenity space and partnership with BC Artscape is focused on the City's goal of providing affordable, sustainable long-term arts and cultural spaces and it is incumbent upon both parties to ensure the success and vitality of this project.

Subtenant and user input into the design, operations and policies that govern this new facility will embed the project with a community-based vision and ensure ongoing responsiveness to the shifting requirements of Vancouver's cultural ecology.

Subtenant Selection

In consultation with the City, the Tenant will develop and implement a subtenant selection process for Vancouver-based professional artists, cultural practitioners, and arts and culture non-profit organizations, coops, charities, collectives, and Musqueam, Squamish or Tsleil-Waututh Band Councils. The Tenant will be permitted to sublease portions of the Premises in accordance with such selection process. Spaces in the Premises will be subleased on a cost recovery basis including capital replacement and maintenance as outlined in the Service Level Agreement, balancing sustainability with affordability. The subtenant selection process will require considerations for and inclusion of individuals and organizations from diverse or historically underrepresented communities, and reflect the arts and cultural needs of the neighbourhood. The Tenant will also be permitted to license portions of the Premises for shorter time periods in accordance with the City's Occasional Third Party Use Policy.

As a City of Reconciliation, the City is committed to improving Musqueam, Squamish and Tsleil-Waututh Nations access to civic-owned spaces and greater visibility on the land, and will work with the Tenant to ensure that criteria selection and processes prioritize the needs and uses by artists and cultural practitioners who are community members from the Musqueam, Squamish and Tsleil-Waututh Nations, and Vancouver's Urban Indigenous communities.

Lease

Should Council approve Recommendation B, staff will proceed to settle and execute the Lease with the Tenant which will be for a nominal rent, for an initial term of thirty (30) years with one option to renew for thirty (30) years, for a total term of sixty (60) years should the City grant the additional renewal term.

A total term of sixty years was deemed an appropriate length of lease for the Premises, given the Tenant's expected capital contribution of up to \$3,000,000 required to cover tenant improvements, and its financial responsibility for all facility operating costs, maintenance, routine repairs and life-cycle replacement of the interior.

As part of the terms of the Lease, the Tenant will be required to meet certain Public Service Requirements, the form of which is attached as Schedule C to the Offer (see Appendix A), and which will be completed jointly by the City and the Tenant and attached as a schedule to the Lease.

If the City executes the Lease prior to obtaining ownership and possession of the Premises, the Lease will contain a provision which expressly states that the Lease is conditional upon ownership and possession of the Premises being transferred to the City by a date certain, to be set out in the Lease, failing which the Lease will be null and void and of no force and effect.

Financial Implications

Staff recommend that basic rent be set at a nominal rate of \$10 per term inclusive of an amount in lieu of property taxes. Nominal rent is considered a grant based on the fair market value (FMV) of the Lease. The FMV results in a grant of approximately \$927,000 per annum for BC Artscape based on the first year of the lease term.

Facility Operating Costs

The Premises will be leased to the Tenant at a nominal rent (\$10 per term or any renewal term), inclusive of payment in lieu of property taxes. The Tenant will be required to pay all facility utility costs (currently estimated at approximately \$3/square foot per annum) and expenses as set out in a Service Level Agreement integrated into the Lease (attached as Schedule B to the Offer in Appendix A).

Upon completion of the space as a “warm shell,” the City will take ownership of the Premises (anticipated summer 2021). The City will be responsible for all facility operating costs for the Premises until the Tenant takes possession of the Premises (anticipated summer 2021) for the purposes of installing tenant improvements. Should Tenant possession not happen immediately, City's Arts, Culture and Community Services would be responsible for covering the operating costs during this interim period. These are anticipated to be lower than the \$3/ square foot per annum estimates (e.g. \$5,286/month) given that most utilities will not be in use while the Premises are unoccupied. Upon the commencement of the Tenant's fixturing period, the Tenant will then be responsible for all facility operating costs.

Once operational, the Premises will be sustainably operated by the Tenant primarily through self-generated revenues from the subtenants, without further City support aside from opportunities provided by existing grant funding streams. These revenues will be tied to costs of

the facility, including capital replacement and maintenance, and recalculated annually, therefore ensuring directed cost-recovery.

Maintenance, Repairs and Life Cycle Replacement Costs

The Tenant will be responsible for regular maintenance and repair, as well as preventative and capital maintenance associated with the Premises. The Tenant will be responsible for the life cycle replacement of interior building systems and major life cycle interior replacement costs of the Premises. The City will be responsible for the life cycle replacement of the building exterior and envelope. The responsibility for all capital costs will be set out in a Service Level Agreement, a copy of which is attached as Schedule B to the Offer (see Appendix A), and which will be integrated into the Lease, and otherwise as specifically provided for in the Lease, all on terms and conditions satisfactory to the City.

CONCLUSION

In partnering with BC Artscape, the City will be taking an important step towards meeting *Making Space for Arts and Culture* targets, securing affordable, accessible and sustainable arts and culture space, and ensuring significant community benefit.

* * * * *

OFFER TO LEASE

This Offer to Lease (the "Offer") is dated for reference this 20th day of February, 2020,

BETWEEN:

CITY OF VANCOUVER

453 West 12th Avenue
Vancouver, BC V5Y 1V4

(the "Landlord")

AND:

B.C. ARTSCAPE SOCIETY (Society Incorporation No. S-006378)

320 - 268 Keefer Street
Vancouver, BC V6A 1X5

(the "Tenant")

1. The Tenant offers to lease the seven-storey building to be constructed at 825 Pacific Street, Vancouver, B.C., legally described as:

Parcel Identifier: 030-258-812
Lot A Block 111 District Lot 541 New Westminster District
Plan EPP72620,

which is anticipated to have a floor area of approximately 21,050 square feet (the "Premises"), upon the terms and conditions set out in this Offer and the Landlord's standard form of non-profit lease (the "Standard Lease"), a copy of which is attached hereto as Schedule "A". The lease resulting from this Offer (the "Lease") shall be in substantially the form of the Standard Lease, completed in accordance with the terms of this Offer.

2. DEFINITIONS

Capitalized terms used in this Offer are used with the respective meanings ascribed to them in the Standard Lease unless otherwise defined herein. The word "including" means "including without limitation".

3. BASIC LEASE TERMS

The following basic terms and conditions are part of, and are in certain instances referred to in subsequent provisions of, this Offer and shall be incorporated in the Lease as applicable:

- (a) Tenant Information:

- (i) Name: B.C. Artscape Society

- (ii) Society Incorporation Number: S-006378
- (iii) Tenant's GST Number: 810540369
- (iv) Address of Tenant: 320 - 268 Keefer Street, Vancouver, BC V6A 1X5
- (v) Telephone: 604-210-5406
- (vi) Fax: n/a
- (vii) Individuals to contact and who are authorized to sign on behalf of Tenant:

Caitlin Jones, Executive Director
Phone: 604-210-5406
Email: cjones@bcartscape.ca

Kate Armstrong, Vice Chair
Phone: 604-788-2309
kate@katearmstrong.com

(b) Term and Renewal Options:

An initial term of thirty (30) years from the Commencement Date (the "Term"), plus one option to renew for a further thirty (30) years , for a total possible term of sixty (60) years.

(c) Commencement Date:

The first day of the month immediately following the expiration of the Fixturing Period.

(d) Possession Date:

The first day of the Fixturing Period.

(e) Fixturing Period:

The Tenant shall have access to the Premises for the purpose of carrying out the Tenant Improvements (defined below) commencing upon the later of:

(i) the Landlord receiving ownership and possession of the Premises (the "Transfer");

(ii) execution of the Lease by the Tenant; and

(iii) the Landlord being satisfied that the Premises are in a state and condition that is ready for the installation of the Tenant Improvements (defined below),

and ending on the last day of the month in which the final occupancy permit or partial occupancy permit is issued for the Premises that allows the Tenant to occupy and operate the Premises (the "Fixturing Period").

No Rent shall be payable during the Fixturing Period; however, the Tenant will be required to abide by all other provisions of the Lease, including in respect of utilities, operating costs, Tenant's Insurance, and Alterations (which, for greater certainty, will include the Tenant Improvements defined below).

(f) Rent:

Nominal prepaid rent of Ten Dollars (\$10.00) plus GST inclusive of payment of rent in lieu of property taxes, for the Term and each renewal term (the “Rent”).

(g) Tenant Improvements and Costs:

The Tenant will be required to fit out and furnish the Premises (collectively, the “**Tenant Improvements**”) at its own expense, including all tenant improvement costs and start-up expenses, and to budget for the necessary work, materials, permits, equipment, fixturing, finishings, appliances, furniture, accessories, construction insurance, systems, HVAC distribution, and fees. The Tenant agrees to adhere to the City’s current Occupancy Load and Passive House requirements for the facility including recommendations for appliances. The Tenant Improvements must be completed to the Landlord’s satisfaction. The Tenant will be required to raise the appropriate funds in order to support all necessary tenant improvement costs and start-up expenses.

(h) Organizational Operating Costs:

The Tenant will be responsible for all organizational operating, programming and administration costs.

(i) Facility Operating Costs and Capital Costs:

While the Rent to be paid by the Tenant will be nominal, the Tenant will be required to pay all costs and expenses for the operation of the Premises as set out in the Lease, including the Service Level Agreement to be attached thereto (a copy of which is attached to this Offer as Schedule “B”), including in respect of the operation, repairs, maintenance, preventative maintenance and capital maintenance, janitorial, security and insurance, and including:

- (i) Directly Metered Utilities and Municipal Utility Charges: The Tenant will be responsible for any and all costs and obligations associated with metered utilities directly serving the Premises, including heat, gas electricity, neighbourhood energy utility charges, as well as any municipal utility charges including but not limited to sewer, water, recycling, solid waste, fire-lines, cross connection fee, and the like, some of which may be inserted in the property tax roll notwithstanding the Premises may be exempt from taxation;
- (ii) Telecommunications: The Tenant will be responsible for any and all costs associated with telecommunications for the Premises, including internet, telephone and cable, and any applicable taxes;
- (iii) Capital Costs: The Tenant shall be responsible for life cycle replacement of interior building systems, including mechanical, electrical and plumbing systems, as outlined in the Service Level Agreement. The Landlord shall be responsible for life cycle replacement of the building envelope (exterior windows, doors and

roof) and including bearing walls, as outlined in the Service Level Agreement;

- (iv) Ancillary Space Maintenance: The Tenant shall be responsible for ancillary space maintenance, including regular maintenance and repair, preventative maintenance and maintenance of any car share parking space(s) and landscaped areas;
- (v) Tenant's Insurance: The Tenant will be responsible at all times for maintaining at its own expense and cost, insurance coverage in the amounts and types, and upon such terms as are satisfactory to the Landlord's Chief Risk Officer, including:
 - 1) Commercial General Liability insurance with limits of not less than Five Million Dollars (\$5,000,000) per occurrence or such higher limit of coverage as the Landlord may require from time to time;
 - 2) Tenant's legal liability coverage for an amount equal to the actual cash value of the Premises, such coverage to include the activities and operations conducted by the Tenant and third parties in the Premises;
 - 3) Blanket contractual liability covering liability arising directly or indirectly out of the performance of the Lease;
 - 4) Non-owned auto liability coverage;
 - 5) Personal injury and advertising liability coverage;
 - 6) products and completed operations coverage;
 - 7) All Risk Property (Broad Form) insurance on property of every description and kind owned by the Tenant or for which the Tenant is legally liable or provided by or on behalf of the Tenant (and which is located in the Premises), including furniture, computers, equipment, toys, supplies, appliances, trade fixtures and any display model, project, prototype, tool, instrument and/or device within the Premises in an amount not less than ninety percent (90%) of the full replacement cost thereof;
 - 8) Automobile Liability insurance on all licensed vehicles owned by or leased to the Tenant with a limit of not less than Five Million (\$5,000,000) Dollars per occurrence or other such amount as the Landlord may approve from time to time;
 - 9) Directors and Officers liability insurance providing ONE MILLION DOLLARS (\$1,000,000) coverage per claim and TWO MILLION DOLLARS (\$2,000,000) coverage in the aggregate.

The above insurance policies will:

- 10) Be with insurers duly authorized to carry on business in the Province of British Columbia, in form and amounts satisfactory to the Landlord's Chief Risk Officer;
- 11) Provide the Landlord with sixty (60) days' prior written notice of cancellation or material change resulting in a reduction of coverage;
- 12) Be primary insurance as respects the Landlord such that any insurance or self-insurance maintained by or on behalf of the Landlord shall be in excess of this insurance and shall not contribute with it;
- 13) Provide for a limit of deductibility not greater than Five Thousand Dollars (\$5,000) or other such amount as the Landlord may approve from time to time;
- 14) Name the Landlord, its officials, officers, employees and agents as additional insureds;
- 15) Include a cross liability or severability of interests clause insuring the Tenant, the Landlord, the Landlord's personnel and the Tenant's personnel in the same manner and to the same extent as if separate policies had been issued to each.

During the Fixturing Period, in addition to the insurance policies indicated above, the Tenant shall maintain, or cause to be maintained, the following project insurance which shall be continuous throughout the entire duration of the construction of the Tenant Improvements:

- 1) All Risk Course of Construction Insurance issued in the joint names of the Landlord, the Tenant and the Tenant's prime contractor, covering the Tenant Improvements and all property of every description to be used in the performance thereof. This insurance shall be primary, and be of an amount not less than the total value of the Tenant Improvements; and
- 2) Wrap Up Liability Insurance issued in the joint names of the Landlord, the Tenant and the Tenant's prime contractor and consultants, protecting all participants including any subcontractors and sub-consultants in all activities pertaining to the Tenant Improvements, with limits not less than Five Million (\$5,000,000) Dollars per occurrence for bodily injury, death and property damage losses including loss of use. Completed operations coverage shall be extended for a further 12 months after completion and acceptance of the Tenant Improvements by the Landlord. Limit of deductibility shall not be greater than Ten Thousand (\$10,000) per occurrence.

(j) Permitted Use:

The Premises will be used solely for the operation of a multi-tenanted arts and culture hub for the benefit of the citizens of Vancouver and in accordance with the Public Service Requirements to be completed jointly by the Landlord and the Tenant and attached to the Lease, the form of which is attached hereto as Schedule "C". The Premises are intended to function as an affordable, shared multi-purpose arts and culture hub, with presentation, production (suitable for Artist Studio Class A¹ activities), and office space for multiple artists and cultural practitioners who are Vancouver-based and/or community members of the Musqueam, Squamish or Tsleil-Waututh Nations, and Vancouver-based non-profit arts and culture organizational use.

(k) Subleasing/Licensing:

In connection with the use of the Premises, the Tenant will act as sublandlord to individual artists and cultural practitioners, and eligible organizations as subtenants. All third party uses which are not captured by the Occasional Third Party Use Policy attached as Schedule "F" to the Standard Lease, will be documented by way of subleases in a form approved by the Landlord, on a cost recovery basis inclusive of all costs including utilities. The Landlord will not intervene in the day to day operations and relationship between the Tenant and the subtenants. The Tenant will be required to follow a selection process for the subtenancies to the satisfaction of the Managing Director of Cultural Services. All subtenants must be artists and cultural practitioners who are Vancouver-based and/or community members of the Musqueam, Squamish or Tsleil-Waututh Nations, or Vancouver-based registered non-profit societies, charitable organizations or community service co-ops with a cultural or artistic mandate, or a Musqueam, Squamish, Tsleil-Waututh Band Council.

Where the Occasional Third Party Use Policy is applicable, the Tenant shall abide by its provisions. The purpose of the aforementioned policy is to provide for occasional use of the Premises by third parties at various times in order to generate earned revenues which will assist the Tenant in supporting its operations.

(l) Assignment, Mortgage, Naming Rights:

Except with the prior written consent of the Landlord, the Tenant will not sell, transfer, assign or mortgage its interest in the Premises. Amalgamation will be considered to be an assignment. The Tenant will not have the right to name the Premises or any portion thereof without the Landlord's prior written

¹ Artist Studio - Class A: means the use of premises for the production of dance, live music, creative writing, painting, drawings, pottery or sculpture, video, moving or still photography, none of which involves amplified sound or one or more of the materials or processes specified under Artist Studio - Class B.

Artist Studio - Class B, which means the use of premises for the production of (a) dance or live music involving electronically amplified sound, (b) moving or still photography (excluding video) involving on-site film processing, (c) paintings, drawings, pottery or sculpture involving the use of fibreglass, epoxy and other toxic or hazardous materials or one or more of the following processes: welding, woodworking, spray painting, silk screening or fired ceramics;

consent. The Tenant shall follow the City of Vancouver's Naming Rights policy including potential restrictions on the right to name the Premises (including any portion of the Premises).

(m) Reporting and Financial Information:

The Tenant will be required to submit reports on a regular basis, for example, an annual report including a maintenance plan, financial statements, proposed annual budget, and summary of activities, in accordance with the Public Service Requirements.

(n) Termination:

Upon demolition, destruction or substantial damage of the Premises, expiration of the Term (or any renewal term), or failure to fulfill other material terms of the Lease, the Lease will terminate.

(o) Early Termination:

The Landlord may terminate the Lease at any time with the Tenant's consent. The Tenant may terminate the Lease upon three (3) months' notice if it intends to or has ceased to use the Premises for the Permitted Use. No compensation will be payable by either party in the event of early termination.

(p) Additional Lease Terms:

All additional terms and conditions and any variations of the foregoing terms as may be required by the Landlord's Director of Legal Services and the Director of Real Estate Services in consultation with the Managing Director of Cultural Services.

4. NET LEASE

The Lease shall be completely net to the Landlord. Any amount or obligation that is not expressly stated in this Offer or in the Lease to be the Landlord's responsibility, and whether or not contemplated at the execution of the Offer or the Lease, will be the Tenant's responsibility.

5. PARKING

The Landlord will not provide parking. The Tenant must make its own arrangements for parking. A car share space in the Premises may be made available under a car share agreement.

6. PERMITS:

The Tenant shall be solely responsible for obtaining all necessary permits to operate its business on the Premises and to carry out the Tenant Improvements as well any Alterations (as defined in the Lease) of the Premises.

7. LANDLORD'S REMEDIES

If the Tenant is in default under this Offer, the Landlord may terminate this Offer on ten (10) calendar days' written notice.

8. LANDLORD'S CONDITION

This Offer is subject to the following condition precedent (the "**Landlord's Condition**"):

- (a) All necessary senior management and Vancouver City Council ("**Council**") approvals having been obtained, including:
 - (i) Council passing a resolution by April 30, 2020 to approve the Tenant as the not-for-profit tenant of the Premises and authorizing a grant to the Tenant in an amount equivalent to the foregone market rent and property taxes;
 - (ii) Council passing a resolution by April 30, 2020 approving the Offer and authorizing the Director of Real Estate Services to negotiate and execute the Lease with the Tenant.

The Landlord's Condition is for the sole benefit of the Landlord and must be satisfied or waived unilaterally by the Landlord in writing to the Tenant on or before April 30, 2020, failing which this Offer shall be null and void and of no force or effect and the Tenant shall have no recourse against the Landlord for any damages.

9. TENANT'S CONDITION

This Offer is subject to the following condition precedent (the "**Tenant's Condition**"):

- (a) Final approval of this Offer by the Tenant's Board of Directors, by no later than February 28, 2020.

The Tenant's Condition is for the sole benefit of the Tenant and must be satisfied or waived unilaterally by the Tenant in writing to the Landlord on or before February 28, 2020, failing which this Offer shall be null and void and of no force or effect and the Landlord shall have no recourse against the Tenant for any damages.

10. MUTUAL CONDITION

This Offer is subject to the following additional condition precedent (the "**Mutual Condition**"):

- (a) That the Transfer occurs by no later than July 1, 2024, with the Premises received by the Landlord in a condition suitable for the commencement of construction of the Tenant's Improvements by the Tenant.

The Mutual Condition is for the benefit of both parties. Failing satisfaction of the Mutual Condition, this Offer shall be null and void and of no force or effect and neither party shall have no recourse for any damages against the other.

11. CONFLICTS/SURVIVAL

If the terms of the Standard Lease are contrary to the terms and conditions of this Offer, then the terms of this Offer shall govern.

Upon full execution and delivery of the Lease, the provisions of this Offer will survive to the extent that they are not inconsistent with the terms of the Lease provided that in the event of any contradiction between the terms of this Offer and the Lease, the terms of the Lease shall supersede.

12. BINDING OFFER TO LEASE

Execution and delivery of this Offer by the parties will constitute a binding and enforceable contract, subject only to satisfaction or waiver of the Tenant's Condition, the Landlord's Condition and the Mutual Condition.

If not executed by the Landlord, this Offer is null and void without any further formality, notice, delay or recourse by any party and regardless of any facts or expenditures by the Landlord or the Tenant.

After satisfaction of the Landlord's Condition, the Landlord will deliver to the Tenant the Lease in its final form incorporating the provisions of this Offer, including (if the Landlord intends to execute the Lease prior to the Transfer occurring) the Mutual Condition. The Lease shall be executed by the Tenant and delivered to the Landlord within six (6) months of the Tenant receiving the same from the Landlord unless the parties otherwise agree. Notwithstanding that the Lease may be fully executed prior to the Transfer, it will only become effective upon the satisfaction of the Mutual Condition. If the Tenant fails to execute the Lease within the stipulated time period for execution, then the Tenant shall be deemed to have executed the same and shall be bound by the provisions of the Standard Lease and shall be deemed to hold the Premises in accordance therewith, provided however, the Tenant shall still be obligated to execute and deliver the Lease to the Landlord forthwith upon demand, and such failure to execute the Lease shall be a breach of covenant by the Tenant to which the default provisions of the Standard Lease shall apply.

13. TIME OF THE ESSENCE

Time is of the essence of this Offer and each part of it.

14. NO REPRESENTATIONS

There are no representations, warranties or other agreements in any way related to this Offer except those expressly stated herein.

15. NOT ASSIGNABLE

This Offer or any interest resulting from this Offer will not be assignable or transferrable by the Tenant in any manner whatsoever.

16. REGISTRATION

The Tenant will not be entitled to register this Offer or the Lease or any interest under them.

17. NOTICE

Any notice or other communication required or permitted to be given under this Offer will be in writing unless otherwise specified and will be effectively given if hand-delivered or emailed to each party's address or email address for notice specified below, or to such other address or email address as a party may specify by notice as set out above.

Any notice or other communication will be deemed to have been received, if hand-delivered or sent by email before 4:00pm, on the day of delivery or transmission if it is a business day and otherwise on the next business day.

18. COUNTERPARTS

This Offer may be executed in one or more counterparts and delivered by email.

19. ACCEPTANCE

This Offer is open for acceptance by the Landlord until 3:00 p.m. (PST) on May 4, 2020, after which date, if not accepted, it shall become null and void.

Offered by the Tenant this 20 day of Feb, 2020.

B.C. ARTSCAPE SOCIETY

Per:



Authorized Signatory



Authorized Signatory

Address for notice to the Tenant:


320 - 268 Keefer Street
Vancouver, B.C. V6A 1X5

Email: cjones@bcartscape.ca

Accepted by the Landlord this 20th day of February, 2020.

CITY OF VANCOUVER

Per:



Authorized Signatory JERRY EVANS, Director
Real Estate Services

Address for notice to the Landlord:

453 West 12th Avenue
Vancouver, B.C. V5Y 1V4
Attention: Director of Real Estate Services

Email: _____

Schedules:

Schedule A: Standard Form of Lease for Non-Profit Entities (Cultural/Social)

Schedule B: Service Level Agreement

Schedule C: Public Service Requirements

SCHEDULE "B"

SERVICE LEVEL AGREEMENT

SERVICE LEVEL AGREEMENT 825 Pacific Street

For purposes of this document, the parties are identified as follows:

Landlord:	City of Vancouver	CoV
Tenant:	NPO Operator	NPO

For the purpose of this agreement, this Service Level Agreement (the "SLA") is intended to reflect the proposed delineation of repair, maintenance and replacement responsibilities between the parties as currently anticipated. The City reserves the right to revise the SLA as necessary and deemed appropriate.

Annual Maintenance Plan

The Operator must prepare and submit an Annual Maintenance Plan including both the Routine and Preventative Maintenance Plan, which the City reserves the right to validate. The Operator will submit a report/reports summarizing the Routine and Preventative Maintenance that has been performed and costs, and the Capital Maintenance and Improvements performed and cost annually on the anniversary of the commencement of the lease.

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
1.1	Heating, Ventilation and Air Conditioning		
a	- annual inspection	NPO	NPO
b	- routine maintenance and repair	NPO	NPO
c	- provision & replacement of filter material	NPO	NPO
d	- cleaning of ducts	NPO	NPO
e	- life cycle replacement	NPO	NPO
2.1	Plumbing Systems		
a	-preventive maintenance and repairs to hot water heating systems (i.e., boiler, hot water tank) and domestic cold water systems	NPO	NPO
b	- major repairs and replacement of hot water heating systems and domestic cold water systems	NPO	NPO

825 Pacific Street SLA
19/06/2019

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
c	- repairs to all fixtures including faucets, unplugging toilets and all other routine repairs	NPO	NPO
d	- life cycle replacement of hot water systems, and piping	NPO	NPO
e	- life cycle replacement of fixtures (i.e., faucets, toilets, urinals, water closets, drinking fountains, etc.)	NPO	NPO
f	- maintenance, repair and replacement of sump pumps	NPO	NPO
3.1	Mechanical Systems (including elevators)		
a	- preventive maintenance and repairs	NPO	NPO
b	- life cycle replacement	NPO	NPO
c	- installation, maintenance and replacement of additional equipment provided and installed by the occupant	NPO	NPO
4.1	Fire Protection & Suppression		
a	- monthly inspection of smoke detectors and fire extinguishers within the premises	NPO	NPO
b	- annual inspection of fire extinguishers within premises	NPO	NPO
c	- repairs/recharging/life-cycle replacement of fire extinguishers within premises	NPO	NPO
d	- annual inspection, maintenance and repairs of the fire alarm system	NPO	NPO
e	- annual inspection and maintenance of interior emergency/exit lighting	NPO	NPO
f	- life cycle replacement of the fire alarm system	NPO	NPO
g	- life cycle replacement of emergency /exit lighting	NPO	NPO
h	- annual inspection, maintenance and repair of fire sprinkler system	NPO	NPO

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
i	- life cycle replacement of fire sprinkler system	NPO	NPO
5.1	Security Systems		
a	- operation, system monitoring, inspection, maintenance and repair	NPO	NPO
b	- life cycle replacement	NPO	NPO
c	- repair, replacement, re-keying of all locks, fobs and access devices	NPO	NPO
6.1	Electrical Distribution Systems		
a	- repairs and upgrades required by Code or initiated by Landlord	NPO	NPO
b	- inspection, maintenance and repair of wiring, breakers and electrical panels	NPO	NPO
c	- life cycle replacement of wiring, breakers and panels	NPO	NPO
d	- repair or replacement of switches, receptacles, cover plates	NPO	NPO
e	- extensions, increases, or enhancements to meet occupant's needs including future maintenance	NPO	NPO
7.1	Lighting Systems		
a	- bulb/tube replacement for interior lighting	NPO	NPO
b	- interior lighting ballast replacement	NPO	NPO
c	- life cycle replacement of interior lighting fixtures	NPO	NPO

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
d	- cleaning of interior lighting fixtures	NPO	NPO
e	- provision, maintenance, repair and replacement of portable lighting fixtures	NPO	NPO
f	- maintenance and repair of exterior lighting	NPO	NPO
g	- life cycle replacement of exterior lighting	NPO	NPO
8.1	Interior Windows		
a	- breakage and repair	NPO	NPO
b	- cleaning	NPO	NPO
c	- life-cycle replacement	NPO	NPO
8.2	Exterior Windows		
a	- breakage and routine repairs	NPO	NPO
b	- cleaning (of exterior surfaces)	NPO	NPO
c	- cleaning (of interior surfaces)	NPO	NPO
d	- life cycle replacement	CoV	CoV
8.3	Interior Doors		
a	- maintenance and repair	NPO	NPO
b	- life cycle replacement	NPO	NPO

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
8.4	Exterior Doors		
a	- maintenance and repair	NPO	NPO
b	- life cycle replacement	CoV	CoV
9.1	Interior Surfaces		
a	- interior life cycle repainting	NPO	NPO
b	- maintenance and cleaning of window applications including, but not limited to blinds and curtains	NPO	NPO
c	- repairs to interior walls and ceilings, including minor painting and wallpaper cleaning	NPO	NPO
d	- life cycle replacement of ceiling tiles	NPO	NPO
e	- interior repairs due to building system failures such as roof leaks, exterior walls and foundation leaks not caused by the occupant or operations	CoV	CoV
f	- maintenance and repairs of floor coverings, including carpet and tile	NPO	NPO
g	- life cycle replacement of flooring	NPO	NPO
h	- maintenance, repair, and replacement of millwork	NPO	NPO
10.1	Major Structural Systems		
a	- major system repairs or replacements of foundations, flooring sub-structure, bearing walls, building envelope including cladding, exterior windows and doors, roofing (including the green roofs), and parking lots due to damage not related to the tenancy	CoV	CoV
b	- regular maintenance and repairs of building envelope including cladding, exterior windows and doors, roofing (including the green roofs) and painting of exterior surfaces including windows, trim, fascia, wood elements and soffits	NPO	NPO

c	- exterior life cycle repainting	CoV	CoV
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
d	- cleaning of eaves troughs, gutters, roof drains and roof areas	NPO	NPO
e	- life cycle replacement of drains, rainwater leaders and gutters on roof and elsewhere	CoV	CoV
11.1	Site Services		
a	- landscaping repairs and maintenance	NPO	NPO
b	- grass cutting	NPO	NPO
c	- general cleaning of grounds, litter disposal	NPO	NPO
d	- snow and ice removal from steps and entrances including provision of de-icing materials	NPO	NPO
e	- removal of snow from walkways and entrance to parking areas	NPO	NPO
f	- removal of snow and ice from roof areas	NPO	NPO
g	- repairs of water and sewage systems (beyond the building perimeter), unless deemed to be caused by the occupants/tenancy	CoV	CoV
h	- maintenance and repair of external walkways, steps	NPO	NPO
i	- replacement of external walkways and steps and repaving of parking and loading areas	CoV	CoV
j	- maintenance, repair and replacement of gates and fences	NPO	NPO
k	- maintenance and minor repair/patching of parking and loading areas	NPO	NPO

l	- graffiti removal	NPO	NPO
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
12.1	Exterior Signage		
a	- maintenance, repair and replacement (subject to prior approval of CoV), including temporary signage	NPO	NPO
12.2	Interior Signage		
a	- installation, maintenance, repair and replacement of interior building and wayfinding signage	NPO	NPO
13.1	Janitorial Services		
a	- routine janitorial/custodial services	NPO	NPO
b	- pest control services	NPO	NPO
c	- provision of all washroom supplies	NPO	NPO
d	- garbage and recycling removal services	NPO	NPO
14.1	Appliances, Program and Other Non-Installed Equipment		
a	- inspection, maintenance and repair of all non-building equipment including stoves, refrigerators, microwaves, coolers, free standing cabinets, track lighting	NPO	NPO
b	- replacement of all appliances, program and non-installed equipment	NPO	NPO

c	- maintenance, repair and replacement of furniture	NPO	NPO
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
15.1	Renovations and Upgrades		
a	- any upgrades, additions, enhancements or improvements (subject to prior approval by CoV)	NPO	NPO
16.1	Utilities		
a	- electricity	NPO	NPO
b	- gas	NPO	NPO
c	- water and sewer costs	NPO	NPO
d	- all other municipal utilities charges which appear on the property tax notice	NPO	NPO
17.1	Business Operations		
a	- staff costs	NPO	NPO
b	- telephone, internet & cable services	NPO	NPO
c	- insurance (CGL, TLL, business interruption, contents, etc.)	NPO	NPO
d	- base building insurance	CoV	CoV
e	- supplies and equipment, including for bathroom and kitchen	NPO	NPO
f	- security services	NPO	NPO

Life Cycle Replacement

Life cycle replacement is based on fair wear and tear. The need of such replacement is at the Landlord's sole discretion.

Damage

Notwithstanding the foregoing, but except in the case of emergency, it is a condition hereof that the Landlord's obligation to maintain, repair, and replace parts of the Premises as indicated above is always subject to the availability of funds currently budgeted by the Landlord for such purposes at the Premises.

SCHEDULE "C"
PUBLIC SERVICE REQUIREMENTS

CULTURAL FACILITY [Lease/Sublease/Sub-Sublease]

Page 1 of 6

SCHEDULE _____
PUBLIC SERVICE REQUIREMENTS

This Schedule _____ forms part of the [Lease/Sublease/Sub-Sublease] made as of _____ 20__, between the City of Vancouver (the "City") as the [Landlord/ Sublandlord/ Sub-Sublandlord] (the "[Landlord/Sublandlord/Sub-Sublandlord]") and _____ as the [Tenant/Subtenant/Sub-Subtenant] (the "[Tenant/Subtenant/Sub-Subtenant]"). A breach of the requirements of this Schedule will constitute a breach under Section _____ of the [Lease/Sublease/Sub-Sublease].

1. City's Requirements:

The City requires that the Premises be used and occupied in accordance with the following:

- (a) in a manner that is consistent with the City's policy objectives set out as follows in Council Report RTS _____, (approved <date> _____, 20__):

<City staff will include an excerpt or summary from the Council Report authorizing the appointment of the [Tenant/Subtenant/Sub-Subtenant] and directing staff to enter into the [Lease/Sublease/Sub-Sublease] with the [Tenant/Subtenant/Sub-Subtenant]. This paragraph should explain what benefit the City is seeking to provide to the public by having this operator deliver this particular service in the Premises.>

Specifically, the following public benefits must be provided by the [Tenant/Subtenant/Sub-Subtenant] of the Premises:

<This section is to be completed by staff and presented in point form to summarize the benefits for the residents of Vancouver provided by the [Tenant/Subtenant/Sub-Subtenant's] operation of the Premises. >

- (b) in a manner that is consistent with, and upholds the following principles to the satisfaction of the Managing Director of Cultural Services:

- i) **Accessibility:** the [Tenant/Subtenant/Sub-Subtenant] will demonstrate accommodation, welcomeness and openness to people of all ages, abilities, sexual orientation, gender identities (including trans*, gender-variant and two-spirit people), ethnicities, cultural

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CULTURAL FACILITY [Lease/Sublease/Sub-Sublease]

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backgrounds, religions, languages, under-represented communities and socio-economic conditions in the [Tenant/Subtenant/Sub-Subtenant]'s policies, practices and programs except in instances where the exclusion of some group is required for another group to be effectively targeted.

- ii) **Financial Management:** the [Tenant/Subtenant/Sub-Subtenant] will demonstrate sound financial planning and management practices to sustain current and longer-term programing and operation of the Premises.
- iii) **Leadership:** the [Tenant/Subtenant/Sub-Subtenant] will have sound management in place and an engaged board of directors, with the appropriate representation of communities served and the skills and expertise to support the [Tenant/Subtenant/Sub-Subtenant]'s use, Mission, Vision and Mandate. The board of directors must function in a governance role, be active in setting direction, policy and long-term planning, and fulfill their legal and fiduciary responsibilities.
- iv) **Alignment with City's Mission and Values:** the [Tenant/Subtenant/Sub-Subtenant]'s use of the Premises must align with the City's Mission and Values, as set out below:

City's Mission: to create a great city of communities that cares about its people, its environment, and its opportunities to live, work, and prosper.

City's Values: being responsive to the needs of citizens and colleagues, striving for the best results, approaching work with unbiased judgement and sensitivity, being open and honest, and honouring commitments; setting examples that others will choose to follow, and being a learning organization that grows through its experiences.

Vancouver is committed to being a Healthy City for All – a city where everyone can create and continually improve the conditions that enable the highest level of health and well-being possible.

The foregoing principles may be amended from time to time by the City and if so amended, the City will notify the [Tenant/Subtenant/Sub-Subtenant] in writing of such amendments and will include a copy of same and the [Tenant/Subtenant/Sub-Subtenant] will abide by such amended principles as though they were originally contained herein;

- (c) only for the purpose set out in Section ____ of the [Lease/Sublease/Sub-Sublease] and specifically:

< This section is to be completed by the City with input from the [Tenant/Subtenant/Sub-Subtenant]. It will build on the general use set out in the [Lease/Sublease/Sub-Sublease] by setting out in greater detail how the City requires the Premises to be used.>

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< If there is a definition of "Permitted Use" in the Lease, make sure to include the uses set out in this Schedule in that definition. Eg. At the end of the "Use" section of the [Lease/Sublease/Sub-Sublease] say something like: "All of the foregoing is, together with the specific uses listed in Schedule ____, the "Permitted Use" >

< Add the following paragraph to the end of the "Use" section of the [Lease/Sublease/Sub-Sublease]: "By agreeing to the [Tenant/Subtenant/Sub-Subtenant] using the Premises for the Permitted Use, the City is agreeing as the [owner/lessee/sub-lessee] of the Premises only and is not in any way (either in its capacity as landlord or as a regulatory body) stating, warranting or representing that the Permitted Use is a permitted use under the City of Vancouver Zoning and Development By-law No. 3575 or other relevant by-laws. Nothing in this Section affects the [Tenant/Subtenant/Sub-Subtenant's] obligations to comply at its sole expense with all such by-laws." >

(collectively, the "City's Requirements").

2. [Tenant/ Subtenant/ Sub-Subtenant]'s Acknowledgement, Representations and Covenants

(a) **Acknowledgement:** the [Tenant/Subtenant/Sub-Subtenant] acknowledges that the City has been authorized by its elected Council to [lease/sublease/sub-sublease] the Premises, for the public benefit, to the [Tenant/Subtenant/Sub-Subtenant] in its capacity as a non-profit public-service organization that meets the City's Requirements, and that the City has relied on the [Tenant/Subtenant/Sub-Subtenant]'s representations and covenants hereinafter set out, in determining that the [Tenant/Subtenant/Sub-Subtenant] is an appropriate tenant for the Premises.

(b) **Representations:** the [Tenant/Subtenant/Subtenant] represents that its Mission, Vision and Mandate are as follows:

Mission:

Vision:

Mandate:

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The City acknowledges that the [Tenant/Subtenant/Sub-Subtenant's] organization may evolve, expand, contract, diversify or specialize over time (for example, by offering new types of services to meet emerging community needs), and that such changes may necessitate revisions to the [Tenant/Subtenant/Sub-Subtenant's] Mission, Vision and Mandate from time to time. The [Tenant/Subtenant/Sub-Subtenant] will notify the City immediately of any such revisions, and such revisions will be permissible, PROVIDED that the Tenant, in the City's sole discretion, continues to be a non-profit, public-service organization, and the [Tenant/Subtenant/Sub-Subtenant]'s use of the Premises continues to be a Permitted Use that meets the City's Requirements.

- (c) **Covenants:** throughout the Term of the [Lease/Sublease/Sub-Sublease], the [Tenant/Subtenant/Sub-Subtenant] covenants that it will consistently, actively and rigorously implement, promote, advance and fulfil the City's Requirements and its Mission, Vision and Mandate through its use of the Premises.

The [Tenant/Subtenant/Sub-Subtenant] will fulfill its Mission in the following way(s):

The [Tenant/Subtenant/Sub-Subtenant] will fulfill its Vision in the following ways(s):

The [Tenant/Subtenant/Sub-Subtenant] will fulfill its Mandate in the following way(s):

3. Reporting and Monitoring

The [Tenant/Subtenant/Sub-Subtenant] will report to the City about its use and operation of the Premises on an annual basis, by no later than December 31st,

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CULTURAL FACILITY [Lease/Sublease/Sub-Sublease]

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or as frequently as may otherwise be reasonably required by the City. Reports must be made in a form and manner that satisfy the City's reporting requirements in effect from time to time. The City will notify the [Tenant/Subtenant/Sub-Subtenant] in writing of any changes to its reporting requirements, and the [Tenant/Subtenant/Sub-Subtenant] will abide by such amended reporting requirements as though they were originally contained herein.

The City's current reporting requirements are as follows:

ANNUAL REPORTING:

- (a) the name and contact information of the key persons for the [Tenant/Subtenant/Sub-Subtenant] at the Premises;
- (b) a current list of directors and officers of the [Tenant/Subtenant/Sub-Subtenant] including their terms, positions and affiliations;
- (c) financial statements of the [Tenant/Subtenant/Sub-Subtenant], including at a minimum a statement of income and expenses for the Premises, for the previous year independently prepared at the [Tenant/Subtenant/Sub-Subtenant]'s expense by an accounting professional (review engagement or audit) OR financial statements, including at a minimum a statement of income and expenses for the Premises, endorsed by two signing officers of the Board of Directors, if independently prepared or audited statements are not available;
- (d) a proposed annual budget for the Premises with an estimate of all revenues and expenditures as well as a maintenance reserve sufficient to meet the [Tenant/Subtenant/Sub-Subtenant's] obligations under the [Lease/Sublease/Sub-Sublease], in a form acceptable to the City, which must have first been approved by the directors of the Tenant;
- (e) a summary of activities for the past fiscal year demonstrating how the [Tenant/Subtenant/Sub-Subtenant] has implemented its Mission, Vision and Mandate through its use of the Premises and complied with the City's Requirements;
- (f) a summary of activities at the Premises for the past fiscal year demonstrating how the Tenant has complied with the Maintenance Plan and Service Level Agreement requirements;
- (g) a summary of activities at the Premises planned for the coming fiscal year;
- (h) a summary (including users, dates, rental fees, and MOUs or other agreements if any) of third party and community uses at the Premises and rental rates charged.

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CULTURAL FACILITY [Lease/Sublease/Sub-Sublease]

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BEGINNING OF TERM AND MID-TERM REPORTING (Submit only in the first year of a five-year Term or Renewal Term or in the first and fifth year of a ten-year Term or Renewal Term):

- (a) a five-year Maintenance Plan for the Premises;
- (b) evidence of good standing as a not-for-profit or charity (submit a current Corporate Registry Search from BC Registry Services).

In the City's discretion, the [Tenant/Subtenant/Sub-Subtenant] may also be required from time to time to provide a copy of its strategic plan and a summary of governance policies.

In advance of granting any renewal of the [Lease/ Sublease/ Sub-Sublease], the City will review whether the [Tenant/Subtenant/Sub-Subtenant] has met the City's Requirements.

4. AMENDMENTS

The [Tenant/Subtenant/Sub-Subtenant] shall not make any changes to this schedule without the prior written approval of the City's Managing Director of Cultural Services.

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Request for Proposals

Lease Opportunity:
Multi-Purpose Arts and Culture Hub
825 Pacific Street, Vancouver, BC

Issued by: Cultural Services
Arts, Culture and Community Services
City of Vancouver

Issue Date: November 5, 2018

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1.0 Information and Background

1.1 Overview

This Request for Proposals (the “RFP”) is being issued by the City of Vancouver (the “City”) to seek proposals from established Vancouver-based arts and cultural non-profit organizations (the “Proponents”) who are interested in engaging with the City for a long term lease as the lead tenant and operator (the “Operator”) of an approximately 21,050 square foot cultural amenity space currently under construction and located at 825 Pacific Street (formerly known as 801 Pacific Street), Vancouver, British Columbia (the “Premises”). The space is intended to be an affordable, shared multi-purpose arts and culture hub, with presentation, production (suitable for Class A¹ activities), and office space for multiple Vancouver-based artists and non-profit arts and culture organizations use. Please note, **this RFP is open to non-profit operators only**, not for individual artists.

1.2 Context

Cultural facilities are essential to every community. Ensuring access to appropriate and affordable facilities in Vancouver’s rapidly-developing real estate market is a challenge, particularly for arts production and the non-profit sector. To support our arts and cultural community, the City actively seeks opportunities to develop facility space by partnering with private development on major rezoning projects through the use of community amenity contributions to create affordable, sustainable arts and cultural facilities.

Cultural Services, as part of the department of Arts, Culture and Community Services, provides arts and cultural programs and services on behalf of the City. In July 2018, Council approved the [*Making Space for Arts and Culture: 2018 Cultural Infrastructure Plan*](#) in advance of the [*Creative City Strategy*](#). The plan focuses on several objectives that address the need for spaces for artists and cultural workers to live, work, and share their work. Key objectives outlined include expanding engagement with the community and partners on planning for renewal of City-owned spaces and developing new spaces, and supporting community initiatives that build capacity. The plan outlines the need for new spaces to live, work, and present, including:

- studios, production, rehearsal, and presentation spaces
- mixed-use, multi-tenant, co-located hubs, including cultural/social non-profit hubs, to provide administration space, home bases, and shared services.

¹**Artist Studio - Class A:** means the use of premises for the production of dance, live music, creative writing, painting, drawings, pottery or sculpture, video, moving or still photography, **none** of which involves amplified sound or one or more of the materials or processes specified under Artist Studio - Class B.

Artist Studio - Class B: means the use of premises for the production of (a) dance or live music involving electronically amplified sound, (b) moving or still photography (excluding video) involving on-site film processing, (c) paintings, drawings, pottery or sculpture involving the use of fibreglass, epoxy and other toxic or hazardous materials or one or more of the following processes: welding, woodworking, spray painting, silk screening or fired ceramics.

1.3 Opportunity

In 2017, Council approved a [rezoning application for 1380-1382 Hornby Street and 801 Pacific Street](#) submitted by Grosvenor Americas. As part of this major development project, the City secured the development of a cultural amenity space at 825 Pacific Street (formerly known as 801 Pacific Street) (the “Premises”).

It is anticipated that the 21,050 gross square feet of commercial space will be used as a shared multi-tenant and multi-purpose arts and culture production space, with some presentation and ancillary space, supporting the arts activities of Vancouver-based artists and arts and cultural organizations.

The City’s intention is to provide a long-term lease for the Premises to a Vancouver based non-profit organization (the “Operator”), for a nominal base rent plus responsibilities for costs of tenant improvements, ongoing maintenance and operations as outlined in the Service Level Agreement (SLA) attached. Located in the downtown core, this amenity space joins other cultural venues in Downtown South including the new artist studios at 1265 Howe Street, The Cinematheque, Cineworks, The Dance Centre and Vancouver International Film Centre/Vancity Theatre. The Premises will serve as a connection with the adjacent downtown entertainment district and Granville Island, helping to animate this core neighbourhood.

Early in the redevelopment process Grosvenor Americas commissioned BC Artscape Society to review the viability of a cultural facility as a stand-alone building. This included mapping local cultural assets and consultation with residents, businesses, artists, social service providers and cultural organizations. A feasibility study concluded that a multi-tenant hub could make efficient and operationally viable use of the proposed floor areas.

Grosvenor Americas is currently in the early stages of preparing the lands for the Premises, which when completed will be owned by the City. Estimated year of completion is summer 2021.

1.4 Space & Tenanting Details

The Premises is a stand-alone cultural amenity building located at 825 Pacific, on the north-west corner of Pacific and Howe streets. At this address, the [current zoning by-law](#) allow for the following uses (subject to approval) for The Premises:

- (a) Cultural and Recreational Uses, limited to Artist Studio, Arts and Culture Indoor Event, Community Centre or Neighbourhood House, Hall, Library, Museum or Archives, and Theatre;
- (b) Office Uses, limited to General Office;
- (c) Service Uses, limited to Photofinishing or Photography Studio, Production or Rehearsal Studio and School – Arts; and
- (d) Accessory Use customarily ancillary to any use permitted by this section.

The Premises consists of seven (7) levels totaling 21,050 gross square feet of commercial space, or 11,541 net square feet leasable space (excluding the basement). Refer to Section 1.5 for leasable area drawings. The Premises includes:

- Level 1: 2,822 gross square feet of multi-purpose presentation/exhibition and community space with kitchen or bar and storage space (60 person capacity);
 - One available car share vehicle and car share vehicle stall (outdoors at grade)
 - Six Class B Bicycle Spaces, and
 - One space for Class B Loading (outdoors)
- Level 2: 3,017 gross square feet of production/rehearsal/programming/ancillary space (25 person capacity);
- Level 3: 3,030 gross square feet of production/rehearsal/programming/ancillary space (22 person capacity);
- Levels 4 to 7: 2,309 gross square feet (per level) of production/rehearsal/programming/ancillary space (19 person capacity per level);
- Basement: 2,582 gross square feet including: bicycle room, parking, garbage room, and end of trip facilities, and 788 gross square feet of mechanical and electrical rooms;
 - Includes parking for minimum of 39 bicycles in a separately secured bike room

The Premises will be constructed to Passive House standards in accordance with the recently adopted Zero Emission Building Plan. Passive House is an internationally recognized, performance based energy standard in construction. To achieve Passive House certification, a building must demonstrate high levels of energy efficiency and occupant comfort. The Premises will be one of the first concrete, non-residential buildings in BC to achieve these standards. The Premises' anticipated occupancy and energy use is in line with general Passive House office construction. Refer to Appendix C for further details on Passive House occupancy, recommended appliances, and energy use.

The Premises will be transferred to the City as a "warm shell," which includes minimal interior finishes, and will not be fitted out with flooring, specialized equipment, appliances, furniture, systems, accessories, or HVAC distribution. The Operator will be required to fundraise and fit out the Premises. It is estimated that tenant improvements and start-up expenses could cost up to \$3,000,000. For more details on the "warm shell" components that will be delivered by the developer upon completion, refer to Appendix A as well as the linked reference drawings below in section 1.5.

In consultation with the City, the Operator will be required to develop and implement a tenant selection process for Vancouver-based artists and non-profit arts and culture organizations. Spaces will be subleased on a cost recovery basis, balancing sustainability with affordability. This selection process will require tenancing considerations for professional artists and/or arts and culture organizations from Indigenous communities and diverse or historically underrepresented communities, and reflect the arts and cultural needs of the neighbourhood.

The targeted occupancy date is 2021.

1.5 Reference Drawings

- [825* Pacific Street Leasable Area plans](#) (PDF)
- [825* Pacific Street Site plans high resolution](#) (PDF)

*Please note that drawings indicate former address: 801 Pacific Street.

1.6 Outline of Basic Lease Terms

In order to assist Proponents with the Proposal, the following is a list of some of the basic terms that will be included in the City's form of lease (the "Lease"), which may be subject to change.

Intended Use

The Operator is to operate the Multi-Purpose Arts and Culture Space for the benefit of the citizens of Vancouver. It is anticipated that the Operator will sublease spaces in the building to individual Vancouver-based artists and arts and culture organizations in a form approved by the City on a cost recovery basis.

Tenant Improvement Costs

To fit out and furnish the space, the Operator will be required to budget for the necessary work, materials, permits, equipment, fixturing, finishings, appliances, furniture, accessories, construction insurance, systems, HVAC distribution, and fees. Passive House requirements as listed in Appendix C include recommendations for appliances. The Operator will be required to raise the appropriate funds in order to support all necessary tenant improvement and start-up expenses.

Organizational Operating Costs

The Operator will be responsible for any organizational, programming and administration costs. The spaces will be subleased by the Operator to individual artists and non-profit arts and culture organizations on a cost recovery basis.

Facility Operating, Maintenance and Capital Costs

While the base rent to be paid by the Operator will be nominal (\$10 per term or any renewal term), the Operator will be required to pay all costs and expenses as set out in a Service Level Agreement with the City, which will be attached to the Lease, including:

- facility utility costs (e.g. heat, hydro, water/sewer, currently estimated at approximately \$3/square foot/per annum), garbage/recycling costs, internet, telephone, any applicable taxes, insurance and all facility operating expenses (e.g. janitorial, security) associated with the amenity space;
- all facility operating costs and maintenance including regular maintenance and repair, preventative and capital maintenance;
- long term recapitalization of interior building systems and major life cycle interior replacement costs associated with the amenity space; and
- ancillary space maintenance, including regular maintenance and repair, preventative and capital maintenance of parking space and landscaped areas.

The Operator will be required to submit for example, an annual report including but not exclusive of, a maintenance plan, financial statements, proposed annual budget, and summary

of activities. The City will be responsible for the long-term recapitalization of the building exterior.

See Appendix B for a draft Service Level Agreement which outlines City/Tenant responsibilities.

Insurance

The Operator will be required to maintain adequate liability and property insurance including Commercial General Liability (CGL), All Risk (Broad Form) Tenants' Legal Liability (TLL) insurance, All-Risk Property (Broad Form) Insurance, and other insurance policies determined over time to best protect the interests of the Operator and the City.

Term

The intent is to provide a secure long term lease. It is anticipated that the lease will be for a total of a 60-year term, with likely up to 2 or more renewals within the total 60-year term.

Subleasing

The Operator will be responsible for subleasing the space to individual Vancouver-based artists and arts and culture organizations on a cost recovery basis, inclusive of all costs including utilities. Additionally, it is anticipated that other programming and rental revenue generated by the Operator will also contribute to operational costs. The Operator will be required to utilize a selection process for the artist and arts and culture non-profit tenancies, to the satisfaction of Cultural Services.

Assignment, Mortgage, Naming Rights

Except with the prior written consent of the City, the Operator will not be able to assign, mortgage or license all or part of the Premises or its interest therein. The Operator will not have the right to name the Premises or any portion thereof without the City's prior written consent.

All other terms and conditions of the Lease will be as required by the City.

1.7 Eligibility

At minimum, all Proponents must meet the following criteria:

An organization is required to be:

- a non-profit society or a community service co-op legally registered and in good standing with BC Registries and Services, a First Nations Band Council on whose unceded traditional homelands Vancouver sits, or registered charity with the Canadian Revenue Agency (CRA), for at least six months at the time of the application deadline;
- established legally and in operation for at least 3 years prior to the application deadline;
- located in Vancouver, is well-established, and has a history of providing ongoing quality arts and cultural programming and/or services to Vancouver residents without exclusion to anyone by reason of religion, ethnicity, gender, age, sexual orientation, language, disability or income.

Who Is Not Eligible?

Organizations that are not based in Vancouver and/or whose primary purpose or activity is the provision of health care, educational, sport, recreational, or religious programs and services are not eligible. As a lease by the City for nominal base rent constitutes a grant by the City which requires City Council approval, the City requires that Proponents be non-profit organizations. For-profit organizations are not eligible.

1.8 Assessment Criteria

Project Alignment & Vision

- The Project aligns with Vancouver's [*Making Space for Arts and Culture: 2018 Cultural Infrastructure Plan*](#) and ideally addresses a cultural space need including development of:
 - studios, production, rehearsal, and presentation spaces; and
 - mixed-use, multi-tenant, co-located hubs, including cultural/social nonprofit hubs, to provide administration space, home bases, and shared services.
- The Proponent's proposal for the Premises (the "Project") is rooted in a strong organizational vision and aligns with a larger shared vision that contributes to Vancouver's arts and culture community.
- The Project makes a contribution to increasing access to, representation of, and participation in arts and culture at all levels and across all areas of practice for Vancouver's diverse communities, including Vancouver's Indigenous communities and historically underrepresented and/or underserved communities.
- The Proponent demonstrates support from the arts and cultural community it is intended to serve, and reflects innovation in community engagement, participation, and partnerships.

Organizational Capacity

- The Project is being developed by an established, stable and sustainable organization with active involvement of a relevant board and staff.
- The Project should be consistent with organization(s) mission and strategic plan.
- Partnership and collaboration play a role in the development, funding and/or ongoing operations of the Project.
- The Proponent demonstrates evidence of a detailed, effective and realistic project plan, governance model, and management plan for the Project.

Project Vitality

- The Project demonstrates vitality, enhancing opportunities for the arts and cultural community to thrive beyond basic sustainability, creating opportunities to adapt and grow.
- The Proponent demonstrates fiscal responsibility, fundraising success, and sets out realistic projections of the Project capital costs and operating revenues and expenses and is viable in relation to the organization's financial capacity and sustainability.
- The Project has the capacity to adapt to changing audience/cultural needs and changing practice, and provides secure, affordable, adaptable, long term benefit with clear affordable user fee structures.
- The Project makes a positive contribution to environmental sustainability.
- The Project addresses public health and safety issues, including adherence to federal, provincial and local legislation including but not limited to City of Vancouver Zoning and Development By-law, fire and building codes, and provincial guidelines for safety (WorkSafe BC requirements).

1.9 Partnerships and Collaborations

Non-profit cultural organizations applying in partnership or collaborating with other non-profits should designate one organization as the lead applicant, or have already established and agreed upon in writing, a clear governance process. A memorandum of understanding (MOU) between the non-profit organizations with clearly defined roles, responsibilities and relationships must be provided with the application.

2.0 Proposal Submission Instructions

The City of Vancouver is committed to an open and transparent Operator selection process. The process is described below.

2.1 Key Dates

Potential Proponents should note the following key dates:

Event	Time and Date
Issue date of RFP	November 5, 2018
Intent to Submit Form Deadline	November 28, 2018
Information Session	December 6, 2018
Questions Deadline	December 17, 2018
Closing Time for Proposal Submissions	January 30, 2019
City Council Approval	Anticipated spring 2019
Occupancy of Premises	Anticipated 2021

2.2 Step 1 - Intent to Submit Form

Proponents applying to be considered for these Premises must [complete the online intent to submit form](#) by November 28, 2018. The intention of the form is to assist with any eligibility questions and to explore if there are potential partnerships.

Information Meeting

Potential Proponents will be contacted by Cultural Services with instructions on how to register to attend the Information Meeting to enable Proponents to seek clarification with respect to any aspect of the RFP in a group forum.

2.2 Step 1 - Questions

Potential Proponents are required to review the RFP with their board and submit any questions relating to the RFP prior to December 10, 2018, via email to Cultural.Spaces@vancouver.ca with subject heading:

RFP: 825 Pacific Street Lease Opportunity for Multi-Purpose Arts and Culture Hub

Answers to questions received before December 17, 2018 will be provided on our [website](#).

2.3 Changes to the RFP

The City may amend the RFP or make additions to it at any time. It is the sole responsibility of Proponents to check the City's [website](#) regularly for amendments, addenda, and questions and answers in relation to the RFP:

2.4 Step 2. - Proposal Submission

Eligible Proponents who have previously contacted Cultural Services staff, and who meet the eligibility requirements, will be provided a link to an online application form (the "Online Proposal Form").

To be considered by the City, the Online Proposal Form must be completed and duly executed by the relevant Proponent on or before 4:00 p.m. on January 30, 2019 (the "Closing Time").

Amendments to the Online Proposal Form may be submitted via the same methods, at any time prior to the Closing Time. Proposals are revocable and may be withdrawn at any time before or after the Closing Time.

Proposals that are submitted after the Closing Time or that otherwise do not comply in full with the terms hereof may or may not be considered by the City.

2.5 Step 3 - Summary of Proposal Requirements

The Online Proposal Form specifies all proposal requirements. Below is a summary of some of the key requirements:

- Organization Form
- Application Form
 - Project Alignment & Vision
 - Organizational Capacity
 - Project Vitality
- Board of Directors List
- Staff List
- Financial Statements
- Operating Budget

- Five-Year Operating Pro Forma
- Memorandum of Understanding (if partnership)
- Certificate of Incorporation (for new applicants)
- Legal Terms and Conditions

2.6 Step 4 - Legal Terms and Conditions

The Proponent will be required to acknowledge that it has agreed to the Legal Terms and Conditions attached as Appendix D hereto, and has attached and executed such Appendix D as required in the Online Proposal Form.

2.7 Step 5 - Evaluation Process and Assessment Criteria

Eligible Proposals will undergo an evaluation process that includes assessment (based on the Assessment Criteria) by a committee composed of cultural community peers and City staff (the "Committee"). The Committee may elect to short list Proponents in stages as deemed necessary. Proponents may be asked to provide additional information or details for clarification.

2.8 Step 6 - Council Report and Lease Negotiations

The successful Proponent will be required to work with the City to further develop the Proposal into a detailed Project Plan that would include, among other things, final project and operating budget confirmation, scheduling, the process for artist access/tenant selection and final plans for any further tenant improvements.

Committee recommendations and lease terms require City Council approval and will be put forward in a public report to City Council.

If the successful Proponent(s) meets the City's requirements after Council approval of the lease terms an offer to lease may be made, resulting in a full lease after the Premises is completed by the developer and ownership is transferred to the City.

2.9 Confidentiality

The information in the Proposals will be disclosed as necessary to carry out the tenant selection process or as required by law, including the *Freedom of Information and Protection of Privacy Act*.

Proponents should note that upon submitting their Proposal, they will be legally bound to certain confidentiality obligations not to disclose any City information without the City's prior written consent.

2.10 City's Discretion

The City is not under any obligation to approve any Proposal and may elect to terminate this tenant selection process at any time and notwithstanding any other provision in this document, the City has in its sole discretion the unfettered right to:

- accept any Proposal
- reject any Proposal
- reject all Proposals
- reject a Proposal even if it is the only Proposal received by the City
- accept all or any part of a Proposal
- split the Requirements between one or more Proponents
- enter into one or more agreements respecting the subject matter of the RFP with any entity or entities at any time.

The City may negotiate Proposals with one or more a Proponents or revoke an offer to lease to a successful Proponent if that Proponent undergoes any changes that would materially affect the Proponent's ability to undertake the design, construction, financing and operation of the Cultural Space in accordance with its Proposal.

The City may waive any non-compliance with this tenant selection process and may at its sole discretion elect to retain for consideration Proposals which are non-conforming because they do not contain the content or form required by this document or because they have not complied with the process for submission set out in this document.

Nothing in this document will operate, if the City so elects, to affect or derogate from the City's powers, rights, duties and obligations under the *Vancouver Charter* as amended from time to time, and the City may, if the City so elects, exercise and carry out any and all of its powers, rights, duties and obligations under the *Vancouver Charter* as though any agreement resulting from this document has never been made.

2.11 Legal Terms and Conditions

The legal obligations of a Proponent that will arise upon the submission of its Proposal are stated in Appendix D. Except where expressly stated in these Legal Terms and Conditions: no part of the RFP consists of an offer by the City to enter into any contractual relationship; and no part of the RFP is legally binding on the City.

Appendix A - Description of the Space

1. The space will be delivered as a “warm shell” including the following specification:
 - a minimally finished interior including the following:
 - painted interior walls;
 - finished ceilings with STC rating of 60 between floors;
 - durable polished concrete floors with non-slip surface, complete with baseboards;
 - Resilient (smooth, non-absorbent, non-slip and washable) flooring may be use in the washrooms and other areas as may be appropriate;
 - basic millwork and hardware required for suitability of the space including washrooms, kitchenettes, and end- of-trip facility to be located at Parkade Level; and
 - one kitchen or bar for public use including cabinets, and hardware to be provided on Level 1;
 - building HVAC system specified to adhere to Passive House certification criteria ready for distribution;
 - building electrical system, and plumbing including fixtures. Electrical system will allow for the ability to install illuminated signage on the building exterior for future tenant(s), and include a minimum of one 220 volt outlet per floor;
 - high speed internet wiring and connections;
 - DDC controls for HVAC, lighting and green roofs with leak detection system if applicable;
 - interior and exterior lighting to meet minimum lighting level for the proposed usage of the space;
 - all building envelope details required to conform to the City’s Built to Zero Emissions Building Plan to achieve Passive House Certification including the roof and structural components below grade;
 - installation of one freight elevator to service the building and all required components;
 - basement bicycle parking area complete with bike racks and the provision of one fit and finished end-of-trip facility including shower, benches, lockers, etc.;
 - dedicated garbage/recycling room, mechanical, electrical and telecommunication rooms; and
 - all necessary structural elements required to support the building as well as all required life safety systems, and the inclusion of one base building fob access security system which will include the ability to lock off floors on the elevator.
2. The Cultural Amenity Facility shall generally consist of the following:
 - 21,050 sq. ft. of gross commercial floor area, 7 levels, including:
 - Level 1 – presentation/exhibition and community space;
 - Levels 2 to 7 – production/rehearsal/programming/ancillary space; and
 - Parkade Level – bicycle spaces and mechanical/electrical rooms/storage;
 - One (1) Car Share Vehicle and car share vehicle space and minimum 39 Class A Bicycle Spaces and six (6) Class B Bicycle Spaces, space for Class B Loading; and
 - Built to meet Passive House Certification standards

3. In respect of the outdoor space: lighting, landscaping, drainage irrigation, perimeter guardrails/ glazing etc. and required DDC controls.

Details of Building Program

Parking

- One designated car share vehicle and car share vehicle space at lane-side;
- Bicycle parking - minimum of 39 bicycles in a separately secured bike room at Parkade Level; and six (6) Class B Bicycle Spaces at lane-side entry;

Loading

- Class B loading zone to be provided at lane with direct access to lane-side vestibule entry

Storage

- Approximately 200 square feet and 150 square feet of storage to be provided in designated storage rooms at Level P1 and Level 2 respectively

Garbage and Recycling

- Garbage and recycling room located at Basement Level
- Garbage room to be equipped with a hose bib and a floor drain

Service Space

- lockable janitor room with mop sink on Level 1.
- separate lockable mechanical and electrical rooms to safely accommodate items such as hot water tanks, sprinkler trees, electrical panels, data, telephone and security equipment panels, gas, water or hydro meters and any other mechanical or electrical equipment required for the facility at Basement Level

Kitchenette

- Shared kitchenette area including fixtures, hardware, millwork cabinets and counter located on Level 1
- Slop sink with counter located on Levels 2-7

Washroom Facilities

- Washroom facilities to meet VBBL requirements, including accessible washroom(s). Washrooms located on Basement Level and Levels 1-7.
- Two end-of-trip facilities on Basement Level

Appendix B – Draft Service Level Agreement

For purposes of this document, the parties are identified as follows:

Landlord:	City of Vancouver	CoV
Tenant:	NPO Operator	NPO

For the purpose of this agreement, this Service Level Agreement (the “SLA”) is intended to reflect the proposed delineation of repair, maintenance and replacement responsibilities between the parties as currently anticipated. The City reserves the right to revise the SLA as necessary and deemed appropriate.

Annual Maintenance Plan

The Operator must prepare and submit an Annual Maintenance Plan including both the Routine and Preventative Maintenance Plan, which the City reserves the right to validate. The Operator will submit a report/reports summarizing the Routine and Preventative Maintenance that has been performed and costs, and the Capital Maintenance and Improvements performed and cost annually on the anniversary of the commencement of the lease.

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
1.1	Heating, Ventilation and Air Conditioning		
a	- annual inspection	NPO	NPO
b	- routine maintenance and repair	NPO	NPO
c	- provision & replacement of filter material	NPO	NPO
d	- cleaning of ducts	NPO	NPO
e	- life cycle replacement	NPO	NPO
2.1	Plumbing Systems		
a	-preventive maintenance and repairs to hot water heating systems (i.e., boiler, hot water tank) and domestic cold water systems	NPO	NPO

b	- major repairs and replacement of hot water heating systems and domestic cold water systems	NPO	NPO
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
c	- repairs to all fixtures including faucets, unplugging toilets and all other routine repairs	NPO	NPO
d	- life cycle replacement of hot water systems, and piping	NPO	NPO
e	- life cycle replacement of fixtures (i.e., faucets, toilets, urinals, water closets, drinking fountains, etc.)	NPO	NPO
f	- maintenance, repair and replacement of sump pumps	NPO	NPO
3.1	Mechanical Systems (including elevators)		
a	- preventive maintenance and repairs	NPO	NPO
b	- life cycle replacement	NPO	NPO
c	- installation, maintenance and replacement of additional equipment provided and installed by the occupant	NPO	NPO
4.1	Fire Protection & Suppression		
a	- monthly inspection of smoke detectors and fire extinguishers within the premises	NPO	NPO
b	- annual inspection of fire extinguishers within premises	NPO	NPO
c	- repairs/recharging/life-cycle replacement of fire extinguishers within premises	NPO	NPO
d	- annual inspection, maintenance and repairs of the fire alarm system	NPO	NPO
e	- annual inspection and maintenance of interior emergency/exit lighting	NPO	NPO
f	- life cycle replacement of the fire alarm system	NPO	NPO

g	- life cycle replacement of emergency /exit lighting	NPO	NPO
h	- annual inspection, maintenance and repair of fire sprinkler system	NPO	NPO
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
i	- life cycle replacement of fire sprinkler system	NPO	NPO
5.1	Security Systems		
a	- operation, system monitoring, inspection, maintenance and repair	NPO	NPO
b	- life cycle replacement	NPO	NPO
c	- repair, replacement, re-keying of all locks, fobs and access devices	NPO	NPO
6.1	Electrical Distribution Systems		
a	- repairs and upgrades required by Code or initiated by Landlord	NPO	NPO
b	- inspection, maintenance and repair of wiring, breakers and electrical panels	NPO	NPO
c	- life cycle replacement of wiring, breakers and panels	NPO	NPO
d	- repair or replacement of switches, receptacles, cover plates	NPO	NPO
e	- extensions, increases, or enhancements to meet occupant's needs including future maintenance	NPO	NPO
7.1	Lighting Systems		
a	- bulb/tube replacement for interior lighting	NPO	NPO

b	- interior lighting ballast replacement	NPO	NPO
c	- life cycle replacement of interior lighting fixtures	NPO	NPO
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
d	- cleaning of interior lighting fixtures	NPO	NPO
e	- provision, maintenance, repair and replacement of portable lighting fixtures	NPO	NPO
f	- maintenance and repair of exterior lighting	NPO	NPO
g	- life cycle replacement of exterior lighting	NPO	NPO
8.1	Interior Windows		
a	- breakage and repair	NPO	NPO
b	- cleaning	NPO	NPO
c	- life-cycle replacement	NPO	NPO
8.2	Exterior Windows		
a	- breakage and routine repairs	NPO	NPO
b	- cleaning (of exterior surfaces)	NPO	NPO
c	- cleaning (of interior surfaces)	NPO	NPO
d	- life cycle replacement	CoV	CoV
8.3	Interior Doors		

a	- maintenance and repair	NPO	NPO
b	- life cycle replacement	NPO	NPO
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
8.4	Exterior Doors		
a	- maintenance and repair	NPO	NPO
b	- life cycle replacement	CoV	CoV
9.1	Interior Surfaces		
a	- interior life cycle repainting	NPO	NPO
b	- maintenance and cleaning of window applications including, but not limited to blinds and curtains	NPO	NPO
c	- repairs to interior walls and ceilings, including minor painting and wallpaper cleaning	NPO	NPO
d	- life cycle replacement of ceiling tiles	NPO	NPO
e	- interior repairs due to building system failures such as roof leaks, exterior walls and foundation leaks not caused by the occupant or operations	CoV	CoV
f	- maintenance and repairs of floor coverings, including carpet and tile	NPO	NPO
g	- life cycle replacement of flooring	NPO	NPO
h	- maintenance, repair, and replacement of millwork	NPO	NPO
10.1	Major Structural Systems		
a	- repairs or replacements of foundations, flooring sub-structure, building envelope including bearing walls, chimney and roofing, and parking lots due to damage not related to the tenancy	CoV	CoV
b	- repairs and painting of exterior surfaces including windows, trim, fascia, wood elements and soffits	NPO	NPO

c	- exterior life cycle repainting	CoV	CoV
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
d	- cleaning of eaves troughs, gutters, roof drains and roof areas	NPO	NPO
e	- life cycle replacement of drains, rainwater leaders and gutters on roof and elsewhere	CoV	CoV
11.1	Site Services		
a	- landscaping repairs and maintenance	NPO	NPO
b	- grass cutting	NPO	NPO
c	- general cleaning of grounds, litter disposal	NPO	NPO
d	- snow and ice removal from steps and entrances including provision of de-icing materials	NPO	NPO
e	- removal of snow from walkways and entrance to parking areas	NPO	NPO
f	- removal of snow and ice from roof areas	NPO	NPO
g	- repairs of water and sewage systems (beyond the building perimeter), unless deemed to be caused by the occupants/tenancy	CoV	CoV
h	- maintenance and repair of external walkways, steps	NPO	NPO
i	- replacement of external walkways and steps and repaving of parking and loading areas	CoV	CoV
j	- maintenance, repair and replacement of gates and fences	NPO	NPO
k	- maintenance and minor repair/patching of parking and loading areas	NPO	NPO

I	- graffiti removal	NPO	NPO
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
12.1	Exterior Signage		
a	- maintenance, repair and replacement (subject to prior approval of CoV), including temporary signage	NPO	NPO
12.2	Interior Signage		
a	- installation, maintenance, repair and replacement of interior building and wayfinding signage	NPO	NPO
13.1	Janitorial Services		
a	- routine janitorial/custodial services	NPO	NPO
b	- pest control services	NPO	NPO
c	- provision of all washroom supplies	NPO	NPO
d	- garbage and recycling removal services	NPO	NPO
14.1	Appliances, Program and Other Non-Installed Equipment		
a	- inspection, maintenance and repair of all non-building equipment including stoves, refrigerators, microwaves, coolers, free standing cabinets, track lighting	NPO	NPO
b	- replacement of all appliances, program and non-installed equipment	NPO	NPO

c	- maintenance, repair and replacement of furniture	NPO	NPO
Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
15.1	Renovations and Upgrades		
a	- any upgrades, additions, enhancements or improvements (subject to prior approval by CoV)	NPO	NPO
16.1	Utilities		
a	- electricity	NPO	NPO
b	- gas	NPO	NPO
c	- water and sewer costs	NPO	NPO
d	- all other municipal utilities charges which appear on the property tax notice	NPO	NPO
17.1	Business Operations		
a	- staff costs	NPO	NPO
b	- telephone, internet & cable services	NPO	NPO
c	- insurance (CGL, TLL, business interruption, contents, etc.)	NPO	NPO
d	-base building insurance	CoV	CoV
e	- supplies and equipment, including for bathroom and kitchen	NPO	NPO
f	- security services	NPO	NPO

Life Cycle Replacement

Life cycle replacement is based on fair wear and tear. The need of such replacement is at the Landlord's sole discretion.

Damage

Notwithstanding the foregoing, but except in the case of emergency, it is a condition hereof that the Landlord's obligation to maintain, repair, and replace parts of the Premises as indicated above is always subject to the availability of funds currently budgeted by the Landlord for such purposes at the Premises.

Appendix C – Occupancy Load and Passive House Requirements

Occupant Load:

- Basement: 6 persons
- Ground: 60 persons
- Level 2: 25 persons
- Level 3: 22 persons
- Levels 4 – 7: 19 persons per level

Power and Lighting loads / space:

- Tenant space design shall not exceed the receptacle Power Load Allowance (W/m²) as listed in National Energy Code of Canada for Buildings (NECB) 2011
- Tenant space lighting design shall provide a 30% reduction from the National Energy Code of Canada for Buildings (NECB) 2011 Lighting Power Load Allowance (W/m²)

Appliances:

Passive House recommends that all appliances are Energy Star.

Appendix D - Legal Terms and Conditions (for reference only)

1 APPLICATION OF THESE LEGAL TERMS AND CONDITIONS

These legal terms and conditions set out the City's and the Proponent's legal rights and obligations only with respect to the RFP proposal process and any evaluation, selection, negotiation or other related process. In no event will the legal terms and conditions of this Appendix D apply to, or have the effect of supplementing, any Contract formed between the City and the Proponent or otherwise apply as between the Proponent and the City following the signing of any such Contract.

2 DEFINITIONS

In this Appendix D, the following terms have the following meanings:

- (a) "City" means the City of Vancouver, a municipal corporation continued pursuant to the Vancouver Charter.
- (b) "Contract" means a legal agreement, if any, entered into between the City and the Proponent as a result of the RFP.
- (c) "Losses" means, in respect of any matter, all direct or indirect, as well as consequential: claims, demands, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including without limitation all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement whether from a third person or otherwise).
- (d) "Proponent" means the legal entity which has signed the Proposal Form, and "proponent" means any proponent responding to the RFP, excluding or including the Proponent, as the context requires.
- (e) "Proposal" means the package of documents consisting of the Proposal Form (including this Appendix D), the Proponent's proposal submitted under cover of the Proposal Form, and all schedules, appendices and accompanying documents, and "proposal" means any proposal submitted by any proponent, excluding or including the Proponent, as the context requires.
- (f) "Online Proposal Form" means those certain parts of the RFP, completed and executed by the Proponent, to which this Appendix D is appended.
- (g) "RFP" means this Request for Proposals for the Lease of the Multi-Purpose Arts and Culture Hub at 825 Pacific Street, Vancouver, BC, as amended from time to time and including all addenda.

3 NO LEGAL OBLIGATION ASSUMED BY THE CITY

Despite any other term of the RFP or the Proposal Form, including this Appendix D (except only Sections 7, 8.2 and 10 of this Appendix D, in each case to the extent applicable), the City assumes no legal duty or obligation to the Proponent or to any proposed subcontractor in respect of the RFP, its subject matter or the Proposal unless and until the City enters into a Contract, which the City may decline to do in the City's sole discretion.

4 NO DUTY OF CARE OR FAIRNESS TO THE PROPONENT

The City is a public body required by law to act in the public interest. In no event, however, does the City owe *to the Proponent or to any of the Proponent's proposed subcontractors* (as opposed to the public) any contract or tort law duty of care, fairness, impartiality or procedural fairness in the RFP process, or any contract or tort law duty to preserve the integrity of the RFP process. The Proponent hereby waives and releases the City from any and all such duties and expressly assumes the risk of all Losses arising from participating in the RFP process on this basis.

5 EVALUATION OF PROPOSALS

5.1 Compliance / Non-Compliance

Any proposal which contains an error, omission or misstatement, which contains qualifying conditions, which does not fully address all of the requirements or expectations of the RFP, or which otherwise fails to conform to the RFP may or may not be rejected by the City at the City's sole discretion. The City may also invite a proponent to adjust its proposal to remedy any such problem, without providing the other proponents an opportunity to amend their proposals.

5.2 Reservation of Complete Control over Process

The City reserves the right to retain complete control over the RFP and proposal processes at all times. Accordingly, the City is not legally obligated to review, consider or evaluate the proposals, or any particular proposal, and need not necessarily review, consider or evaluate the proposals, or any particular proposal, in accordance with the procedures set out in the RFP, and the City reserves the right to continue, interrupt, cease or modify its review, evaluation and negotiation processes in respect of any or all proposals at any time without further explanation or notification to any proponents.

5.3 Discussions/Negotiations

The City may, at any time prior to signing a Contract, discuss or negotiate changes to the scope of the RFP, any proposal or any proposed agreement with any one or more of the proponents without having any duty or obligation to advise the Proponent or to allow the Proponent to vary its Proposal as a result of such discussions or negotiations with other proponents or changes to the RFP or such proposals or proposed agreements, and, without limiting the general scope of Section 6 of this Appendix D, the City will have no liability to the Proponent as a result of such discussions, negotiations or changes.

5.4 Acceptance or Rejection of Proposals

The City has in its sole discretion, the unfettered right to: accept any proposal; reject any proposal; reject all proposals; accept a proposal that deviates from the requirements of the RFP or the conditions specified in the RFP; reject a proposal even if it is the only proposal received by the City; accept all or any part of a proposal; enter into agreements respecting the subject matter of the RFP with one or more proponents; or enter into one or more agreements respecting the subject matter of the RFP with any other person at any time.

6 PROTECTION OF CITY AGAINST LAWSUITS

6.1 Release by the Proponent

Except only and to the extent that the City is in breach of Section 8.2 of this Appendix D, the Proponent now releases the City, its officials, its agents and its employees from all liability for any Losses incurred in connection with the RFP or the Proposal, including any Losses in connection with:

- (a) any alleged (or judicially determined) breach by the City or its officials, agents or employees of the RFP (it being agreed that, to the best of the parties' knowledge, the City has no obligation or duty under the RFP which it could breach (other than wholly unanticipated obligations or duties merely alleged or actually imposed judicially))
- (b) any unintentional tort of the City or its officials or employees occurring in the course of conducting the RFP process,
- (c) the Proponent preparing and submitting the Proposal;
- (d) the City accepting or rejecting the Proposal or any other submission; or
- (e) the manner in which the City: reviews, considers, evaluates or negotiates any proposal; addresses or fails to address any proposal or proposals; resolves to enter into a Contract or not enter into a Contract or any similar agreement; or the identity of the proponent(s) or other persons, if any, with whom the City enters any agreement respecting the subject matter of the RFP.

6.2 Indemnity by the Proponent

Except only and to the extent that the City breaches Section 8.2 of this Appendix D, the Proponent indemnifies and will protect, save and hold harmless the City, its officials, its agents and its employees from and against all Losses, in respect of any claim or threatened claim by the Proponent or any of its proposed subcontractors or agents alleging or pleading:

- (a) any alleged (or judicially determined) breach by the City or its officials or employees of the RFP (it being agreed that, to the best of the parties' knowledge, the City has no obligation or duty under the RFP which it could breach (other than wholly unanticipated obligations or duties merely alleged or actually imposed judicially));
- (b) any unintentional tort of the City or its officials or employees occurring in the course of conducting the RFP process, or
- (c) liability on any other basis related to the RFP or the proposal process.

6.3 Limitation of City Liability

In the event that, with respect to anything relating to the RFP or this proposal process (except only and to the extent that the City breaches Section 8.2 of this Appendix D), the City or its officials, agents or employees are found to have breached (including fundamentally breached) any duty or obligation of any kind to the Proponent or its subcontractors or agents whether at law or in equity or in contract or in tort, or are found liable to the Proponent or its subcontractors or agents on any basis or legal principle of any kind, the City's liability is limited to a maximum of \$100, despite any other term or agreement to the contrary.

7 DISPUTE RESOLUTION

Any dispute relating in any manner to the RFP or the proposal process (except to the extent that the City breaches this Section 7 or Section 8.2 of this Appendix D, and also excepting any disputes arising between the City and the Proponent under a Contract (or a similar contract between the City and a proponent other than the Proponent)) will be resolved by arbitration in accordance with the *Commercial Arbitration Act* (British Columbia), amended as follows:

- (a) The arbitrator will be selected by the City's Director of Legal Services;
- (b) Section 6 of this Appendix D will:
 - i. bind the City, the Proponent and the arbitrator; and
 - ii. survive any and all awards made by the arbitrator; and
- (c) The Proponent will bear all costs of the arbitration.

8 PROTECTION AND OWNERSHIP OF INFORMATION

8.1 RFP and Proposal Documents City's Property

- (a) All RFP-related documents provided to the Proponent by the City remain the property of the City and must be returned to the City, or destroyed, upon request by the City.
- (b) The documentation containing the Proposal, once submitted to the City, becomes the property of the City, and the City is under no obligation to return the Proposal to the Proponent.

8.2 Proponent's Submission Confidential

Subject to the applicable provisions of the *Freedom of Information and Protection of Privacy Act* (British Columbia), other applicable legal requirements, and the City's full right to publicly disclose any and all aspects of the Proposal in the course of publicly reporting to the Vancouver City Council on the proposal results or announcing the results of the RFP, the City will treat the Proposal (and the City's evaluation of it), in confidence in substantially the same manner as it treats its own confidential material and information.

8.3 All City Information Confidential

- (a) The Proponent will not divulge or disclose to any third parties any non-public documents or information concerning the affairs of the City which have been or are in the future provided or communicated to the Proponent at any time (whether before, during or after the RFP process). Furthermore, the Proponent agrees that it has not and must not use or exploit any such non-public documents or information in any manner, including in submitting its Proposal.
- (b) The Proponent now irrevocably waives all rights it may have by statute, at law or in equity, to obtain any records produced or kept by the City in evaluating its Proposal (and any other submissions) and now agrees that under no circumstances will it make any application to the City or any court for disclosure of any records pertaining to the receipt, evaluation or selection of its Proposal (or any other submissions) including, without limitation, records relating only to the Proponent.

9 NO PROMOTION OF RELATIONSHIP

The Proponent must not disclose or promote any relationship between it and the City, including by means of any verbal declarations or announcements and by means of any sales, marketing or other literature, letters, client lists, press releases, brochures, web sites or other written materials (whether in print, digital, electronic or other format) without the express prior written consent of the City. The Proponent undertakes not to use the name, official emblem, mark, or logo of the City, including without limitation, "City of Vancouver", "Vancouver Police Board", "Vancouver Public Library", "Vancouver Park Board", "Vancouver Board of Parks and Recreation", or any other reference to any of the foregoing, without the express prior written consent of the City.

10 GENERAL

- (a) All of the terms of this Appendix D to this Proposal Form which by their nature require performance or fulfillment following the conclusion of the proposal process will survive the conclusion of such process and will remain legally enforceable by and against the Proponent and the City.

- (b) The legal invalidity or unenforceability of any provision of this Appendix D will not affect the validity or enforceability of any other provision of this Appendix D, which will remain in full force and effect.
- (c) The Proponent now assumes and agrees to bear all costs and expenses incurred by the Proponent in preparing its Proposal and participating in the RFP process.
- (d) The Proponent consents to the City contacting any references named by the Proponent in the Proposal.

AS EVIDENCE OF THE PROPONENT'S INTENT TO BE LEGALLY BOUND BY THIS APPENDIX D, THE PROPONENT HAS EXECUTED AND DELIVERED THIS APPENDIX D AS AN INTEGRAL PART OF ITS PROPOSAL FORM IN THE MANNER AND SPACE SET OUT BELOW:

Signature of Authorized Signatory for the Proponent

Date

Name and Title

Signature of Authorized Signatory for the Proponent

Date

Name and Title