

REQUEST FOR PROPOSALS

MULTI-PURPOSE ARTS & CULTURE HUB
- LEASE OPPORTUNITY -
825 Pacific Street

QUESTIONS AND ANSWERS NO. 1

Re-Issued January 3, 2019

Q	Is a stove able to be accommodated in the kitchen facilities?
A	<i>Yes, as part of the Tenant Improvements, the Operator has the ability to purchase and install a range on the Level 1 kitchen/bar area. The developer will ensure that there are adequate electrical outlets and venting to permit the installation of a range (that includes an oven and stove), microwave, refrigerator, and dishwasher by the Operator. Kitchenette facilities on Levels 2 through 7 will be able to accommodate the installation of appliances such as microwaves and refrigerators. No kitchen appliances will be installed by the developer when the "warm shell" is transferred to the City of Vancouver.</i>
Q	Are the estimated facility utility costs (e.g. heat, hydro, water/sewer) at \$3/square foot for gross square footage or net? And are they estimated at \$3/square foot per annum or per month?
A	<i>The estimated facility utility costs are \$3/square foot per annum for gross square footage. Estimated costs are subject to change.</i>
Q	When is Grosvenor Americas breaking ground with this project?
A	<i>The schedule anticipates construction to commence January 2020, with completion and transfer to City of Vancouver in summer 2021. Dates are subject to change.</i>
Q	Will there be an opportunity to negotiate the floor layout?
A	<i>No, the layout, as depicted in current drawings, is fixed in terms of what will be delivered to the City as a "Warm Shell." The Operator can add demising walls through the Tenant Improvement process (at the cost of the Operator). Visit the area plans and site plans for drawings.</i>
Q	What are the limitations to the current ventilation on each floor, and will Levels 2 through 7 have ventilation suitable for Class A Artist Studio use?
A	<i>Level 1 will have Heating, Ventilation, and Air Conditioning (HVAC) loads suitable for multi-purpose presentation/exhibition and community space. Levels 2 to 7 will have HVAC loads that are suitable for Artist Studio - Class A Studio use, as defined in section 2 of the City of Vancouver Zoning and Development By-law. ¹ HVAC will be</i>

¹ Artist Studio - Class A, which 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;

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	<p><i>ready for distribution on each floor when the building is transferred to the City of Vancouver.</i></p> <p><i>If the Operator adds further demising walls, the Operator will be required to ensure that the HVAC, sprinklering and other life safety systems are properly distributed and meet building code requirements. Please refer to Appendix A for the Description of the Space.</i></p>
Q	How will you ensure that the studios and offices will have enough ventilation?
A	<i>Levels 2 to 7 will be designed with sufficient HVAC for Class A Artist Studios, which is higher than required for office occupancy. The main floor will be designed to accommodate assembly, which is sufficient for ancillary office use. See above for requirements should further demising by the operator be implemented.</i>
Q	If an organization wishes to apply to be a subtenant and not be responsible for the entire operations and tenancing of this building, should they apply at this stage?
A	<i>No, this RFP process is only for the Operator of this building. However, organizations can partner on the RFP application (see below for further details).</i>
Q	If organizations want to partner on the RFP, do they need a Memorandum of Understanding?
A	<i>A basic Memorandum of Understanding or an Agreement of Understanding is required. 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. The document should indicate clearly defined roles, responsibilities and relationships. If a proposal moves forward that has outlined a partnership, a more detailed Memorandum of Understanding may be required.</i>
Q	Is it possible to have Class A Artist Studio use on Level 1?
A	<i>No, studio use is not a permitted use for Level 1.</i>
Q	Does Level 1 allow for other presentation (music, dance, theatre, film, video, etc) and assembly beyond gallery use?
A	<i>Level 1 does not support assembly for a dedicated theatre space. Level 1 does support assembly use for galleries and multi-purpose assembly use typical of halls. Multi-purpose assembly use allows for a variety of uses, including events and arts and cultural presentations and rehearsals (music, dance, theatre, film, video, etc.) that do not require permanent installation of equipment and infrastructure typical of dedicated theatre spaces.</i>

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;

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Q	Does Level 1 allow for more than the 3 times a month limit of arts and culture presentations allowed under the Arts Events Licence?
A	<i>Yes, Level 1 is a dedicated assembly space that does not require an Arts Event Licence for arts and cultural presentations that have up to 60 people in attendance (maximum occupancy of the space). An Arts Event Licence would be required for use of Levels 2 to 7 for events and performances beyond the allowable studio and/or office use. Correction: The Arts Event Licence is not applicable for levels above the ground floor. See guidelines here.</i>
Q	The windows are mostly south facing and the strong sunlight could be potentially damaging to artworks. Will there be window treatments on windows to help filter the sunlight?
A	<i>Any window treatments, ultraviolet light filters, or blinds will be the responsibility of the Operator.</i>
Q	How will the RFP be evaluated?
A	<i>Eligible Proposals will undergo an evaluation process that includes assessment (based on specified Assessment Criteria) by a committee composed of cultural community peers and City staff (the "Committee"). See section 1.8 in the RFP for the Assessment Criteria.</i>
Q	In terms of the RFP, what kind of information is needed for the budget for Tenant Improvements? Question CS 3.4 requires a preliminary budget for the fit-out and furnishing. Please provide more details about what is required in this preliminary budget, given the operator will likely not have tenants selected at this time.
A	<i>Applicants should outline the general purpose of the space and overall estimates (to the best of their ability) for the work, materials, permits, fees, construction insurance, and any purchase and installation of flooring, finishings, specialized equipment(e.g. audio-visual, technological etc.), appliances (including appliances for the Level 1 kitchen/bar and Levels 2-7 kitchenettes), furniture, accessories, demising walls, and materials such as window coverings, signage, etc, HVAC distribution, any other system distribution, etc. In addition, the applicant needs to outline an adequate funding plan for these improvements.</i>
Q	The lease term is anticipated to be a 60-year term, with some potential renewals within that 60-year term. Can an applicant suggest different terms?
A	<i>The intent is to provide a secure long term lease. It is anticipated that the lease will be for a total of 60-years, with likely up to 2 or more renewal terms within the full 60-year term. Applicants should articulate expectations for the renewal terms. Should an applicant request an overall term different from the anticipated 60 years, a rationale and case needs to be provided.</i>
Q	Could sub-tenants be secured under a license agreement rather than a sub-lease?
A	<i>The space is intended to be used as an affordable, shared multi-tenant and multi-purpose arts and culture hub, with presentation, production, and office space spaces sub-tenanted on a cost recovery basis. The form of agreements for the sub-tenants</i>

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	<i>will be determined through the lease process with the Operator.</i>
Q	Would the City of Vancouver accept a leasehold or lien?
A	No.
Q	Would the City of Vancouver allow the successful proponent to enter a mortgage on the property?
A	<p><i>On other City owned cultural amenities, the City has not allowed operators to enter into a financial instrument, mortgage or security agreement that encumbers any of its properties or buildings.</i></p> <p><i>The RFP indicates that the operator will be required to fundraise and fit out the premises and demonstrate financial viability for its proposal. Applicants should include in their submission both high budget estimates for required tenant improvements as well as proposed funding sources and timelines under consideration - including grants. If the applicant is considering bridge financing, loans or a mortgage as part of the financing strategy for improvements it should be included in the submission.</i></p>
Q	Are there taxes that are payable on this building?
A	<i>As the legal parcel will be owned by the City, the parcel will be exempt from the payment of municipal property taxes. Subject to City Council approval, an amount typically paid by a tenant in lieu of property taxes may be waived and form part of the grant provided by the City to the operator. The operator will be responsible for the payment of municipal utilities, local improvements and garbage/recycling fees, which are typically billed on the property tax notice. The operator will also be responsible for paying user and consumption taxes, including goods and services taxes, value-added taxes, sales taxes and consumption based taxes, levies and assessments.</i>
Q	What is the other building that Grosvenor Americas is developing in relationship to this building that was approved as a rezoning in 2017 and where is it?
A	<i>Grosvenor Americas is developing a market residential building as part of this Rezoning. This 39-storey residential tower is situated west of the laneway, on the corner of Pacific and Hornby Street. The Rezoning also includes relocation of the Leslie House, an "A" listed building on the Vancouver Heritage Register, built circa 1881. The Leslie House will be relocated to a site between the laneway and the residential tower. More information about the Pacific by Grosvenor market residential building can be found online or at their presentation centre at 1050 Homer Street.</i>
Q	Does the Manager of Cultural Services have authority over the subtenant selection process?
A	<i>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 tenanting 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.</i>

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	<i>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.</i>
Q	Is there any automobile parking on the site or nearby?
A	<i>There is bicycle parking located in the basement level, and car-share vehicle parking outside on Level 1. This car-share vehicle will reside at this location when not in use by any car-share member. The car is not for the exclusive use by tenants of 825 Pacific. There is one loading zone on Level 1. Additional street parking is available in the immediate neighbourhood.</i>
Q	Is the City of Vancouver open to non-profit ownership of the 825 Pacific Multi-Purpose Arts and Culture Hub?
A	<i>Ownership is not currently under consideration for 825 Pacific.</i>
Q	Is leasing to for-profit tenants acceptable?
A	<i>Yes, spaces can be leased within the building to some for-profit tenants. The space is intended to be an affordable, shared multi-purpose arts and culture hub, for multiple Vancouver-based artists and non-profit arts and culture organizations use.</i> <i>It is anticipated that the 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. Spaces will be subleased on a cost recovery basis, balancing sustainability with affordability.</i>
Q	Will boilers and mechanical, electrical systems, etc. be located in the building and can the applicants find out what the specs are?
A	<i>There are no boilers installed in the building. Space heating/cooling will be by the Variable Refrigerant Flow (VRF) system, ventilation supplied by a roof top passive house Energy Recovery Ventilation (ERV), and domestic hot water heating will be provided by point of use electric domestic hot water heaters. A mechanical schedule for equipment that is currently specified can be provided however there is no guarantee that the contractors bidding on the contract will go with the specified equipment and alternates may be proposed.</i>
Q	Will the Operator be required to pay for the maintenance of the mechanical and electrical systems?
A	<i>Yes, the Operator will be responsible for the maintenance of the mechanical, electrical distribution, lighting, plumbing systems, etc. Please refer to the Draft Service Level Agreement available in Appendix B.</i>
Q	Is the Operator able to apply to the Cultural Infrastructure Grant program for Tenant Improvements and other space related projects for this space?
A	<i>Yes, the Operator will be eligible to apply to the Cultural Infrastructure Grant program for this building.</i>
Q	Given the Creative City Strategy and its focus on Equity, Diversity, Inclusion and

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	Reconciliation, what are the steps that the City of Vancouver is taking to ensure that it reaches out to diverse cohort and/or ensures that this focus is part of the evaluation?
A	<i>The City of Vancouver has incorporated Reconciliation, and Equity, Diversity and Inclusion strategies as part of the evaluation process in assessing the Request for Proposals. Applicants must demonstrate how the Project will increase access and participation to arts and culture and contribute to/support diversity. Responses should consider how artists, cultural practitioners and arts and culture non-profits from the Musqueam, Squamish and Tsleil-Waututh Nations, the Urban Indigenous communities, and other underserved communities will be supported in the building use. 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.</i>