
PUBLIC WORKS AND
GOVERNMENT SERVICES
CANADA

ADDENDUM NO. 2

COMPLEX REAL ESTATE TRANSACTIONS
REAL ESTATE SERVICES DIRECTORATE

PROJECT NO. 5225-2-2020-5
599 TREMBLAY ROAD DEVELOPMENT PROJECT

DATE: May 20, 2020

The following changes to the Request for Qualification document are effective immediately and form part of the Contract Documents.

This Addendum consists of one part:

PART 1: QUESTIONS AND RESPONSES

Question 1

[We] are interested in partnering to develop the lands known as 599 Tremblay Rd in Ottawa:

<https://buyandsell.gc.ca/procurement-data/tender-notice/PW-20-00911469>

Is there a preferred RFQ template to illustrate our partnerships experience? Further is there any additional due diligence materials available on the opportunity such as site survey, zoning, additional requirements, etc.?

Response 1

The RFQ describes the forms and information on the submission requirements. For additional guidance, please refer to Section 4.11(13) and Section 5 of the RFQ.

No additional materials will be provided by PWGSC at the RFQ stage. This would be addressed at the RFP stage.

Question 2

Parking Revenues – As per Section 2, 2.1 - site parking is expected to be within the Project's scope. Will PWGSC retain any parking revenues generated by this scope or would this be retained by the private sector?

Response 2

It is currently anticipated that PWGSC will retain parking revenues. This would be addressed at the RFP stage.

Question 3

Energy & Utilities – Section 4.4 indicates that PWGSC envisions using a “quadruple net lease” structure; could PWGSC confirm if the tenant will be responsible for the Project's energy consumption?

Response 3

It is currently anticipated that PWGSC will be responsible for its energy consumption and that under the Service Retail Sub-Lease, energy consumption will be the responsibility of the Preferred Proponent. This would be addressed at the RFP stage.

Question 4

Maintenance & Lifecycle – As the project envisions the Proponent performing the necessary facilities maintenance; could PWGSC confirm that the pricing of this work would be bid in a fixed-price manner with escalation at bid?

Response 4

It is currently anticipated that: 1) the sublease will provide that while the Property and Facility Management Agreement is in place, PWGSC will reimburse the Preferred Proponent for the actual operating costs and property taxes applicable to the PWGSC office space under that agreement rather than under the sublease; 2) PWGSC will pay the Preferred Proponent a set fee for Property and Facility Management services; and, 3) under the Service Retail Sub-Lease, all expenses associated with service retail space will be the responsibility of the Preferred Proponent. This would be addressed at the RFP stage.

Question 5

Federal Contractors Program for Employment Equity – Per Appendix I, can PWGSC please provide information on the contracts involved in the federal program?

Response 5

In accordance with Section 7.20.2, Respondents are not required to submit a certification that they are compliant with the Federal Contractors Program for employment equity at the RFQ stage.

Question 6

Development Charges – Can PWGSC confirm if the Proponent would be subject to paying PWGSC development charges for the development of adjacent infrastructure and site servicing?

Response 6

Please refer to Appendix B Section 5 – Out of Scope Elements. The Tremblay Road realignment, site servicing, pedestrian bridge and the 7.5 hectares of land for residential and mixed use are out of scope for this project. The Preferred Proponent will not be subject to paying development charges for adjacent property.

Question 7

Minimum 50,000m² requirement - We would suggest more clarity on the minimum 50,000sm size requirement in Package 2 Section A1.1. For example, is the 50,000 sm criteria applicable to campus-style adjacent developments of distinct addresses that are assembled by the same development team with overlapping clients and tenants? Given the fact that there are few examples of 100% office developments of 50,000 sm scale, would the 50,000 sm requirement include mixed uses within the development?

Response 7

The reference to 50,000 m² is to establish a factor for size comparability. Respondents may submit projects with mixed-use developments. All projects will be evaluated from a comparability and capability perspective in accordance with the evaluation criteria detailed in Appendix D - Package 2 and the Applicable Scales detailed in Appendix E.

Question 8

Specified Design Requirements - Some clarification about the how the client will provide its design requirements during the RFP stage (for example, whether they have developed design development output specifications or if it will just be a design brief square footage and the like).

Response 8

The design requirements will be addressed at the RFP stage. Please refer to Appendix B Section 4.3(1).

Question 9

Operational Certification/Designation Requirements - For Package 2 Section D, provide more clarification, considering that the RFQ only "references" and says "such as LEED" for "Work within a regime of performance indicators and targets (such as maintaining LEED certification and achieving energy efficiency over the lifecycle of the facility) for operation and maintenance services to achieve clearly defined service level". Would other operational standards or designations such as; BOMA Best..etc be applicable?

Response 9

LEED is provided as an example. Other performance indicators and targets would also be applicable.

Question 10

Will the lender be permitted to put security in place at time of execution of lease documents?

Response 10

It is currently anticipated that Proponents will be responsible to organize and coordinate with their lenders their own security package in accordance with the Agreements. This would be addressed at the RFP stage.

Question 11

Can we assume nominal rent for the ground lease and retail component?

Response 11

This would be addressed at the RFP stage.

Question 12

Will rent under the main lease be flat for the 25-year term or adjusted in intervals?

Response 12

This would be addressed at the RFP stage.

Question 13

Is use of quadruple net equivalent to a bondable lease?

Response 13

PWGSC will not provide this assessment.

Question 14

Will PWGSC produce a first draft of the operative agreements and will the proponent have the opportunity to review and comment during RFP phase?

Response 14

Yes. Please refer to the RFQ, notably section 6.5 of Appendix B.

Question 15

Will there be a clause in the RFP which will dictate whether or not the financing will need to be renegotiated part way through the lease as we have seen in past projects with PWGSC?

Response 15

This would be addressed at the RFP stage.

Question 16

Will the non-office components (retail, residential, etc.) also revert back to PWGSC after the term of the ground lease, or is this only applicable for the office component?

Response 16

At the end of the term of the Ground Lease in accordance with Section 4.2(1), the ownership of the buildings will revert to PWGSC at no cost. The remainder of the Parcel is out of scope of this RFQ.

Question 17

When selecting past projects to be rated as comparable projects for our RFQ response, please confirm:

How many points will be deducted if the project / project design was completed more than 10 years ago?

How many points will be deducted if the project is less than 50,000 sq.m in size?

How many points will be deducted if the project is not of a campus, multi-building layout?

How many points will be deducted if the project does not have an extensive landscaping component?

Response 17

All projects will be evaluated from a comparability and capability perspective in accordance with the evaluation criteria detailed in Packages 2 of Appendix D, including the minimum score applicable for the criteria, and the Applicable scales detailed in Appendix E.

Question 18

Is it required that the proponent submit a fixed price FM solution?

Response 18

If FM means property and facility management, then please refer to Response # 4 of this Addendum and to section 4.5 of Appendix B.

Question 19

Can you elaborate / provide clarification on “Price” under 6.1(g) RFP Process – Evaluation and Scoring – Price

Response 19

This would be addressed at the RFP stage.

Question 20

Can PSPC confirm that the structure of the project will be a true P3 project and stay as true to that model as it is proven to work and deliver quickly.

Response 20

Although there may be similarities, the RFQ as a whole, and notably Section 4 of Appendix B confirms a Lease-Leaseback structure.

Question 21

RFQ Article 4.13 – would like to hear PSPC’s perspectives on non-JV partnering with Design Prime Member roles of architecture and urban design being shared between two firms.

Response 21

There is no requirement for firms to participate in this procurement in a joint venture or other forms of association. Respondents may elect to do so. A Respondent may have numerous Prime Members, including Design Prime Members. Please refer to the definition of Prime Member in Appendix A.

Question 22

Site visit (RFQ Article 3.2.2.1): given the current COVID-19 restrictions, will a virtual walk-through of the site be made available from PSPC?

Response 22

PWGSC does not intend to produce a virtual walk-through. Respondents may continue to request a Site Visit through the Contact Person. A site visit will be coordinated to take place at an appropriate time and with appropriate measures including to maintain physical distancing. Site visits will not be conducted with various potential Respondents at the same time.

The Site is vacant land and an aerial view can also be obtained via the internet such as Google Earth or Maps. In addition, Tremblay Road is a municipal road and Respondents can drive by the site to have a look.

Question 23

RFQ Security Guide (RFQ Appendix G) – can PSPC provide an update on security process. Can PSPC provide a brief discussion to confirm the security requirements for the RFP Stage and at Contract Award. RFQ Security Guide is not definitive about the company and individual clearance levels required: “It is expected that Proponents will require the following clearances...” and then PSPC also states in the Appendix G that we are to become knowledgeable about the Facilities Security Clearance (FSC) which is at the secret or top secret level (and takes longer to achieve clearances through PSPC than the RFP period itself).

Response 23

The RFQ explains that Respondents do not need security clearance to work on the Response to the RFQ nor do Proponents to work on the proposal at the RFP stage. It is currently anticipated Proponents be required to obtain, at Contract award a Designated Organization Screening (DOS) with a Document Safeguarding Capability (DSC) at the Protected level. Individual clearances, or employee clearances will be required at the Reliability Status level.
