



BC Housing

REQUEST FOR PROPOSALS

for the

SRO Renewal Initiative

partnerships
British Columbia

SUMMARY OF KEY INFORMATION

RFP TITLE	<p>The title of this RFP is:</p> <p style="text-align: center;">RFP - SRO Renewal Initiative</p> <p>Proponents should use this title on all correspondence.</p>
CONTACT PERSON	<p>The Contact Person for this RFP is:</p> <p style="text-align: center;">Dawn Hart Email: SRI@bchousing.org</p> <p>Please direct all Enquiries, in writing, to the above named Contact Person. No telephone or fax enquiries please.</p>
ENQUIRIES	<p>Proponents are encouraged to submit Enquiries at an early date to permit consideration by the Authority; the Authority may, in its discretion, decide not to respond to any Enquiry received after 3:00 p.m. (local time in Burnaby, BC) on the day that is 15 days before the Submission Time.</p>
SUBMISSION TIME FOR TECHNICAL SUBMISSIONS	<p>July 20, 2012 11:00 a.m. (local time in Burnaby, BC)</p>
SUBMISSION TIME FOR BASE RATE(S) AND CREDIT SPREAD BENCHMARKS	<p>July 26, 2012 11:00 a.m. (local time in Burnaby, BC)</p>
SUBMISSION TIME FOR FINANCIAL SUBMISSIONS	<p>September 13, 2012 11:00 a.m. (local time in Burnaby, BC)</p>
SUBMISSION LOCATION	<p>The Submission Location is:</p> <p style="text-align: center;">British Columbia Housing Management Commission Suite 1701 - 4555 Kingsway Burnaby, BC V5H 4V8</p>
DELIVERY HOURS	<p>Deliveries will be accepted at the Submission Location on weekdays (excluding Statutory Holidays) from 08:30 a.m. to 4:00 p.m. (local time in Burnaby, BC).</p>



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1. INTRODUCTION

1.1 PURPOSE OF THIS RFP

The purpose of this request for proposals (“**RFP**”) is to invite eligible Proponents to prepare and submit competitive Proposals for the design, renovation, financing and maintenance of 13 SRO buildings (“**Buildings**”) through the SRO Renewal Initiative (collectively the “**Project**”) under a long-term project agreement (the “**Project Agreement**”).

1.2 ELIGIBILITY TO PARTICIPATE IN THIS RFP

Through a request for qualifications (“**RFQ**”) issued October 20, 2011 by the British Columbia Housing Management Commission (the “**Authority**”), the following consortia are qualified to participate in this RFP:

- Abode Housing Initiative;
- Concert Partnerships Works; and
- Integrated Team Solutions.

Only these three Proponents, subject to changes in Proponent Team membership as permitted by this RFP, may submit Proposals or otherwise participate in this RFP.

2. RFP PROCUREMENT PROCESS

2.1 ESTIMATED TIMELINE

The following is the Authority’s estimated timeline for the Project:

Activity	Timeline
Issue RFP and Initial Draft Project Agreement to Proponents	February 15, 2012
Building Tours	February 22 – March 6, 2012
Collaborative Meeting #1	March 7 – 9, 2012
Investigations Requested by Proponents	March 12 – April 27, 2012
Intrusive Investigations Reports by the Authority Available	April 5, 2012



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Activity	Timeline
Collaborative Meeting #2	April 16 – 20, 2012
Collaborative Meeting #3	June 18– June 22, 2012
Issue Final Draft Project Agreement	June 29, 2012
Submission Time for Technical Submissions	July 20, 2012
Submission Time for Base Rate(s) and Credit Spread Benchmarks	July 26, 2012
Invitation to Submit Financial Submission	August 24, 2012
Submission Time for Financial Submissions	September 13, 2012
Credit Spread Refresh Lock-In Date	A date prior to Preferred Proponent selection, to be set out in a notice from the Authority given at least 10 days in advance of such date
Selection of Preferred Proponent	September 26, 2012
Early Works Commences	October 12, 2012
Financial Close	December 12, 2012
Construction Commences	December 17, 2012
All Buildings Substantially Completed	March 2018

This estimated timeline is subject to change in the discretion of the Authority.

2.2 COLLABORATIVE MEETINGS

Prior to the Submission Time for Technical Submissions, the Authority will make available certain of its personnel, consultants and advisors (the “**Authority Representatives**”) to participate in collaborative meetings (“**Collaborative Meetings**”) with the Proponents. The Authority expects the Collaborative Meetings to take place as follows:

- (a) the purpose of the Collaborative Meetings is to provide a process that will assist the Proponents to develop optimal solutions for the Project while minimizing the risk that a Proponent’s solution is unresponsive to the Authority’s requirements, and in particular:

- i. to permit the Proponent's Representatives to provide the Authority's Representatives with comments and feedback on material issues such as affordability or provisions of the Initial Draft Project Agreement; and
 - ii. to permit a Proponent to discuss with the Authority potential solutions and approaches that the Proponent may be considering for various aspects of its Proposal;
- (b) at least 5 Business Days in advance of each Collaborative Meeting (10 Business Days in the case of any Collaborative Meeting with respect to insurance matters), each Proponent should provide the Authority with a proposed meeting agenda, a list of prioritized issues it would like to discuss and any materials relevant to such issues and the Authority may provide Proponents with comments on the agenda and a list of any prioritized issues the Authority would like to discuss;
- (c) the Authority will determine which Authority Representatives will be present at any Collaborative Meeting;
- (d) at each Collaborative Meeting, a Proponent may have such officers, directors, employees, consultants and agents of the Proponent and the Proponent Team members present as the Proponent considers reasonably necessary for effective communication with the Authority and to fulfil the objectives of the Collaborative Meeting provided that the Authority may, in its discretion, limit the number of participants at any one meeting. Participation in Collaborative Meetings is in person only;
- (e) to facilitate free and open discussion at the Collaborative Meetings, Proponents should note that any comments provided by or on behalf of the Authority during any Collaborative Meeting, including in respect of any particular matter raised by a Proponent or which is included in any documents or information provided by a Proponent prior to or during the Collaborative Meeting, and any positive or negative views, encouragement or endorsements expressed by or on behalf of the Authority during the Collaborative Meetings to anything said or provided by Proponents, will not in any way bind the Authority and will not be deemed or considered to be an indication of a preference by the Authority even if adopted by the Proponent;



- (f) if for the purposes of the preparation of its Proposal a Proponent wishes to rely upon anything said or indicated at a Collaborative Meeting, then the Proponent must submit an Enquiry describing the information it would like to have confirmed and request that the Authority provide that information to the Proponent in written form and, if such information relates to a clarification, explanation or change to a provision of this RFP or the Project Agreement, request an Addendum to this RFP clarifying and amending the provision in question;
- (g) by participating in the Collaborative Meetings a Proponent confirms its agreement with these procedures and acknowledges that the meetings are an integral part of the procurement process as described in this RFP and are in the interests of all parties;
- (h) the Authority anticipates holding an initial meeting with Proponents to focus on Building condition information requirements, followed by two or more Collaborative Meetings with each Proponent prior to the Submission Time for Technical Submissions. Following the release of the RFP, the Authority will consult with each Proponent to confirm specific dates for Collaborative Meetings. If the Authority considers it desirable or necessary to schedule additional or fewer Collaborative Meetings, the Authority may, in its discretion, amend the anticipated schedule; and
- (i) proponents may request that the Authority schedule additional Collaborative Meetings on specific topics by providing the request in writing to the Contact Person with proposed dates and details of the topic or topics to be discussed.

2.3 COMMENTS ON THE PROJECT AGREEMENT

Each Proponent should review the Initial Draft Project Agreement for the purpose of identifying any issues or provisions that the Proponent would like to see clarified or amended. Following such review:

- (a) the Authority will invite Proponents as part of the Collaborative Meeting process to discuss possible clarifications or amendments to the Initial Draft Project Agreement, including with respect to commercial, legal, design and renovations, facility maintenance and rehabilitation, and community engagement matters;
- (b) at least 5 Business Days in advance of the Collaborative Meeting at which a Proponent wishes to discuss the Initial Draft Project Agreement, the Proponent should provide the

Authority with a prioritized list of requested changes, if any, to the Initial Draft Project Agreement using the Proponent Comments Form attached as Appendix E, together with the agenda and issues list described in Section 2.2(b); and

- (c) the Authority will consider all comments and requested clarifications or amendments received from the Proponents in the Collaborative Meetings and may respond to some or all of the comments received, and will amend the Initial Draft Project Agreement as the Authority may determine in its discretion.

Prior to the Submission Time for Technical Submissions, the Authority intends to issue by Addendum one or more revised drafts of the Project Agreement, including one that will be identified as the Final Draft Project Agreement (the “**Final Draft Project Agreement**”). The Authority may further modify the Final Draft Project Agreement by Addendum prior to the Submission Time for Financial Submissions. The Final Draft Project Agreement will be the common basis for the preparation of all Proposals, and Proponents should not in their Proposal make any modifications, changes or additions to the Final Draft Project Agreement except for modifications, changes or additions to the Performance Specifications as provided for in Section 4.4 or modifications, changes or additions provided for in Section 8.2.

2.4 DATA ROOM

The Authority has established a web site to be used as an electronic data room (the “**Data Room**”) in which it has placed documents in the possession of the Authority that the Authority has identified as relevant to the Project and to the Buildings, and that may be useful to Proponents. The Authority does not make any representation as to the relevance, accuracy or completeness of any of the information available in the Data Room except as the Authority may advise in writing with respect to a specific document. The Authority will grant Proponents access to the Data Room and will require Proponents to execute an agreement to keep information contained in the Data Room confidential.

The information in the Data Room may be supplemented or updated from time to time. Although the Authority will attempt to notify Proponents of all updates, Proponents are solely responsible for ensuring they check the Data Room frequently for updates and to ensure the information used by the Proponents is the most current, updated information.

2.5 INTERIM FINANCIAL REVIEW ON AFFORDABILITY

It is in the interests of the Authority and all Proponents to identify at an early stage of the procurement whether the Project, as defined in this RFP, is affordable within the limits set out in Section 4.



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Accordingly, as part of the Collaborative Meetings, the Proponents and the Authority will conduct an interim financial review as follows:

- (a) at least 5 days prior to the interim financial Collaborative Meeting, each Proponent should submit to the Authority its best estimate of the anticipated Proposal Cost using the Affordability Model as described in Section 4.2 based upon its expected funding terms, and a summary of the proposed Financing Plan containing the high level aspects of information contemplated in Section 4.6.1 of Appendix B. While not prescribing the form of the submission, the Authority is expecting it to be no more than 10 pages in length and to include cost and input assumptions in sufficient detail to allow the Authority to understand the Proponent's cost base (with at least all major cost headings included) and financing structure. Each Proponent should also submit its draft Base Rate(s) and Credit Spread Benchmark submission;
- (b) the Authority will retain each of the interim financial submissions as strictly confidential, and will invite each Proponent, as part of the interim financial Collaborative Meeting, to discuss any aspect of its submission, including any recommendations for amendment of the Project requirements if a Proponent determines that the Project as described will exceed the Affordability Ceiling; and
- (c) unless expressly referred to or included by reference in its Proposal, a Proponent's interim financial submission will not be considered part of its Proposal and the Authority will not consider or evaluate it as to adequacy, quality, content or otherwise.

The Authority understands that the values indicated in a Proponent's interim financial submission are not a commitment and that all aspects could change in the final Proposal.

3. KEY PROJECT ISSUES

3.1 MUNICIPAL APPROVALS

In accordance with the Project Agreement, Project Co will be responsible for obtaining all outstanding permits and approvals required for the design and renovation of the Buildings, and to ensure that its design for the Buildings complies with the applicable zoning and related City of Vancouver (the "City") requirements.



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The Authority has reached agreement with the City regarding the City's requirements for the Project as follows:

- (a) City Engineering Department requirements; and
- (b) heritage conservation plans for each Building.

Pursuant to the Project Agreement, Project Co will have the responsibility to obtain Development Permits from the City as required for Project Co's design of the Buildings. Project Co will also be responsible for all development cost charges and development and building permit fees.

The Authority has prepared a document entitled "Information to Proponents Re: City of Vancouver Permit and Communications Processes", a copy of which is available in the Data Room. This document provides information about City permit requirements and outlines a protocol for communications between Proponents and the City. Proponents should comply with the communications protocol with respect to any communications it wishes to have with the City related to this RFP. As stated in the communications protocol section of the document, although it is intended that written communications and individual meetings between City staff and Proponents will be and remain confidential, if the Authority determines that any information, decisions or commitments provided by the City to any Proponent is not proprietary and of common benefit to all Proponents, the Authority reserves the right to communicate any such information to all Proponents in writing to ensure open, consistent and fair dealings in connection with the RFP process.

3.2 PROPOSED AMENDMENTS TO THE BC BUILDING CODE AND VANCOUVER BUILDING BY-LAW

The Authority is aware that proposed amendments to the BC Building Code and Vancouver Building By-law have been published by government authorities. Proponents will be responsible for informing themselves of the proposed amendments. These proposed changes if and when implemented will not be a "Change in Law" as defined in the Initial Draft Project Agreement per Section (e)(2) of the definition of "Change in Law".

3.3 BUILDING CONDITIONS

The Authority has made available certain reports in the Data Room describing existing Building conditions (the "**Building Condition Reports**") for reference by Proponents. The Authority has also made available letters from the authors of some of the reports regarding reliance on the reports.



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The Authority and its technical team are undertaking additional Building condition assessments that are anticipated to include Phase 1 environmental assessments and intrusive investigations. The intrusive investigations include exposing joist framing, wall and roof assemblies and other building elements. The Authority anticipates that the intrusive investigations will be completed in March 2012, with Building investigation reports being available in April 2012.

The Authority anticipates making this additional Building condition information (the “**Additional Building Condition Information**”), including a more detailed scope and the anticipated timing of final reports for each Building, available to Proponents in the Data Room during the Competitive Selection Process. A Collaborative Meeting is also planned to address the topic of Building condition and available Building condition information, including potential reliance on factual statements contained in the Additional Building Condition Information. If Proponents request further Building condition information the Authority may, in its discretion, choose to work with Proponents to establish a process to address these requests in a timely and cost-effective manner.

The Building Condition Reports and Additional Building Condition Information include and will include only the observations made at the specific locations described and at the specific times recorded, and may not be representative or indicative of anticipated or actual conditions encountered either at other locations or other times. The Authority makes no representation whatsoever as to the relevance, accuracy or completeness of any information in the Building Condition Reports or the Additional Building Condition Information. Nothing in the Building Condition Reports and Additional Building Condition Information will affect in any way the obligations of Project Co under the Project Agreement.

3.4 BUILDING TOURS

The Authority is planning to conduct a separate Building tour for each Proponent Team. Each Building tour may take up to 3 Business Days to complete. The Authority plans to conduct the tours between February 22 and March 6, 2012. A list of available Building tours is provided in the Data Room. Each Proponent should confirm to the Contact Person by email no later than 2:00 pm on February 20, 2012 whether it wishes a Building tour, and if so indicate its preferred tour from the list provided, and the names of no more than 7 representatives who will take the tour. The Authority will have full discretion over the timing of tours.

WITHOUT THE WRITTEN CONSENT OF THE AUTHORITY, PROPONENTS MAY NOT VISIT OR OTHERWISE ACCESS THE BUILDINGS, OR CONTACT THE BUILDING RESIDENTS.



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3.5 EARLY WORKS

The Authority expects to enter into an Early Works Agreement with the Preferred Proponent, substantially in the form attached as Appendix J, relating to the renovation of the ground floor of the Marble Arch Hotel.

Certain renovation work was performed at the Marble Arch Hotel in 2008/2009, including renovations to the south façade, some residential units, washrooms and system upgrades. Proponents should refer to the Data Room for as-built drawings showing the extent of renovation work completed.

Gordon MacKenzie Architect Incorporated (“GMA”) was the architect retained by the Authority for design of the Marble Arch Hotel renovations described above, and for design of the Early Works described in the Early Works Agreement. As noted in Section 9.4 of this RFP, GMA is a Restricted Party. If the Authority selects a Preferred Proponent, the Preferred Proponent is encouraged to contact GMA and may retain GMA to undertake the final design of the Marble Arch Hotel renovations.

Communications with GMA During RFP Process: Notwithstanding Section 9.3 of this RFP, Proponents may submit to the Contact Person written Enquiries for GMA. Enquiries intended to be directed to GMA should be clearly marked as such. Proponents wishing to obtain a fee quote from GMA for professional services by GMA should submit to the Contact Person an Enquiry for GMA, marked as “Commercial in Confidence”, setting out the scope of professional services that the Proponent wishes GMA to provide if the Proponent is selected as Preferred Proponent. GMA’s response to any Enquiries will be directed to the Proponent(s) through the Contact Person. The Authority also intends to make GMA available to meet with each Proponent at a Collaborative Meeting.

In preparing their Project schedules, Proponents should ensure that work on the Gastown Hotel commences as soon as possible after Financial Close.

3.6 EQUIPMENT

Project Co will be responsible for designing the Buildings’ renovations to accommodate the installation, operation, repair and maintenance of all equipment required as part of the Buildings’ operations, or for the intended uses of the Buildings, in accordance with the Project Agreement. The Authority and Project Co will be responsible to procure and deliver the equipment in accordance with Appendix 2E [Equipment] of the Project Agreement.



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3.7 SERVICES

According to the requirements of Schedule 4 [Service Protocols and Specifications] of the Project Agreement Project Co will be responsible for providing FM Services (see Appendix 4C of the Initial Draft Project Agreement) and Help Desk Services (see Appendix 4D of the Initial Draft Project Agreement) for each Building from the applicable Building Service Commencement date until the end of the Term. Project Co will also provide Operating Period planning and Performance Monitoring and Reporting. At the end of the Term Project Co will be responsible for meeting Handback Requirements for the Buildings (see Appendix 4B of the Initial Draft Project Agreement).

3.8 TENANT DECANT

The Authority has developed a decanting protocol to ensure that the Building residents are adequately housed during construction, and to comply with the provisions of the *Residential Tenancy Act* (“**RTA**”).

The Authority will make a certain amount of swing space available to accommodate Decanting of Residential Tenants as may be required to renovate a Building. Proponents may also propose to provide additional swing space for Decanting of Residential Tenants. If a Proponent wishes to propose additional swing space, the Proponent may submit an Enquiry describing such space and asking whether it would be acceptable to the Authority. The Authority will review the Enquiry, may request to review the proposed space, and following such review will inform the Proponent whether that space will be, in the Authority’s sole discretion, acceptable to Authority. If such space is approved by the Authority, it may be included in the Proponent’s Proposal.

Under Schedule 2 [Design and Construction Protocols] of the Project Agreement Project Co will be required to notify the Authority four full months prior to any required vacancy of Residential Rooms. Project Co will be required to notify the Authority three full months before Residential Rooms are again available for occupancy. Project Co will indicate the anticipated dates of any required vacancy and availability in a Decanting Schedule for each Building that will form part of the Project Schedule.

The Authority will be responsible for moving Residential Tenants subject to receiving the required notice and subject to the provisions of Section 6.10 of Schedule 2 [Design and Construction Protocols] of the Project Agreement.

3.9 SOCIAL DEVELOPMENT

Section 4.13 [Social Development Requirements] of the Project Agreement will require Project Co, in consultation with the Authority, to make available during the Construction Period and the Operating



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Period, certain levels of skills development, training, employment and contract opportunities to Eligible Social Development Organizations that provide skills development training and employment opportunities to residents of the Downtown Eastside (the “**Eligible Social Development Organizations**”).

4. AFFORDABILITY

A key objective of the Competitive Selection Process is to maximize the Project scope while meeting the Project’s Affordability Ceiling requirements.

4.1 AFFORDABILITY CEILING

The Authority has identified an Affordability Ceiling of \$110.09 million (the “**Affordability Ceiling**”) for the cost of the Project. Project approvals by the Authority have been based on this Affordability Ceiling.

In determining the Affordability Ceiling, the Authority and its advisors developed a shadow financial model based on the following:

- (a) an estimate of all development, construction and commissioning costs (excluding interest costs and financing fees) to the end of the Construction Period of \$85.2 million (nominal) that is based on an Indicative Design that meets the requirements of the Initial Draft Project Agreement and the Performance Specifications;
- (b) the application of the Construction Payments (being up to 25.0% of the eligible construction costs contained within the Design Build Contract for this Project) in accordance with Appendix 8B[Construction Period Payments] of the Initial Draft Project Agreement;
- (c) a Discount Rate of 7.50%;
- (d) a Consumer Price Index at a constant rate of 2.50% for portions of the Services Payments that are Index-Linked;
- (e) a construction schedule of 66 months, starting October, 2012;
- (f) facilities management and life cycle costs based on a cost consultant’s estimation of the quantum and timing of costs over the life of the Project;
- (g) no Deductions from the Service Payments;



- (h) a funding structure and financing terms representative of the likely market for funding based on current markets and where markets will be when the Project reaches Financial Close; and
- (i) the cost of the Project being the sum of:
 - i. the estimated nominal Building Opening Payments (i.e. without any discounting); and
 - ii. the estimated Service Payments discounted to January 1, 2017.

4.2 AFFORDABILITY MODEL

The Authority has developed a financial model (the “**Affordability Model**”) to determine, in a manner consistent with the determination of the Affordability Ceiling, the cost to the Provincial Government and the Authority of the Project based on a Proposal (the “**Proposal Cost**”).

Each Proponent is required to calculate its Proposal Cost using the Affordability Model provided by the Authority. The Affordability Model will be available in the Data Room as “AffordabilityModel.xls”, and is to be completed by linking to the appropriate outputs from the Proponent’s Financial Model. The Authority reserves the right to recalculate or make such adjustments to the Affordability Model as may be required by the Authority in its analysis.

4.3 LIFE CYCLE COSTS

Each Proponent must propose that the portion of its proposed Service Payments that covers life cycle costs be either uniform or non-uniform. If proposing a non-uniform approach, the proposed life cycle payments schedule should be consistent with the Proponent’s life cycle/capital replacement plan as contemplated under the Final Draft Project Agreement and Section 3.2.4.4 of Appendix B.

4.4 CHANGES TO PERFORMANCE SPECIFICATIONS TO ENSURE AFFORDABILITY (SCOPE LADDER)

If not all of the elements of the Performance Specifications are achievable within the Affordability Ceiling, a Proponent may propose to amend the scope of the Project as set out in the Performance Specifications in order to ensure that its Proposal Cost does not exceed the Affordability Ceiling. Proponents proposing changes to the Performance Specifications should limit their proposed changes to items identified by the Authority in the scope ladder (the “**Scope Ladder**”), which is provided below. The Scope Ladder will



include items in three tiers. Changes using tier 1 items should be made first. Tier 2 changes may be made in any order but should only be made if all tier 1 changes have been made. Tier 3 changes may be made in any order but should only be made if all tier 1 and tier 2 changes have been made.

The Scope Ladder can be referenced in Attachment 1 – Updated Scope Ladder of Appendix M.

5. PROPOSAL REQUIREMENTS

5.1 PARTICIPATION AGREEMENT

As a condition of participating in this RFP each Proponent and each of its Equity Members must sign and deliver to the Contact Person a participation agreement (the “**Participation Agreement**”), substantially in the form attached as Appendix F or otherwise acceptable to the Authority in its discretion. Proponents will not be provided with access to the Data Room (including the Initial Draft Project Agreement), be invited to participate in Collaborative Meetings, or participate further in the Competitive Selection Process unless and until they have signed and delivered a Participation Agreement as required by this Section.

5.2 PROPOSAL FORM AND CONTENT

Proposals should be in the form and include the content described in Appendix B. Each Proponent may only submit one Technical Submission and, if invited to do so, one Financial Submission.

5.3 FINANCING PLAN

Proponents should include, in their Financial Submission, a Financing Plan as contemplated in Section 4.6.1 of Appendix B.

In its Financing Plan, each Proponent should advise the Authority in writing:

- (a) which form(s) of lending facility, if any, for which it will hold Credit Spreads from Financial Submission to Financial Close (the “**Credit Spread Hold Facilities**”); and
- (b) which form(s) of lending facility, if any, in respect of which the Credit Spread will be determined on the Credit Spread Refresh Lock-in Date (the “**Credit Spread Refresh Facilities**”). For a Credit Spread Refresh Facility, the Credit Spread on the facility will be reset on the Credit Spread Refresh Lock-in Date to reflect the movement in the applicable Credit Spread Benchmark as determined pursuant to Section 5.4.

5.4 CREDIT SPREAD BENCHMARKS

If a Proponent wishes to designate some or all of its lending facilities as Credit Spread Refresh Facilities, the Proponent should, on or before the Submission Time for Base Rate(s) and Credit Spread Benchmarks, make a Credit Spread Benchmark submission to the Authority as described in Appendix K.

Within 5 Business Days after such submission, the Authority will advise each Proponent whether, in the Authority's discretion, the Proponent's proposed Credit Spread Benchmark is satisfactory. If the Authority advises a Proponent, with particulars, that its proposed Credit Spread Benchmark is unsatisfactory, the Proponent should within 5 Business Days of receiving such advice, submit a revised Credit Spread Benchmark submission that addresses the Authority's concerns and the Authority will advise the Proponent within a further 3 Business Days whether the revised Credit Spread Benchmark submission is acceptable. The process will be repeated until an acceptable Credit Spread Benchmark is provided.

The Credit Spread Benchmark submission, as revised if applicable, will be deemed to be a part of the Proponent's Financial Submission for evaluation purposes.

5.5 BASE RATE FLUCTUATION RISK

The Authority assumes the risk of fluctuations in the Base Rate for:

- (a) senior debt financing facilities (and not for subordinated debt, or equity); and
- (b) reinvestment products associated with senior debt facilities during construction, if applicable (and not for working capital or reserve accounts),

up to Financial Close, as set out in this Section 5.5, subject to the Authority's rights under this RFP, including Sections 8.7 and 10.1.

At Financial Close, the Service Payments will be set to reflect the Base Rate for senior debt financing agreements and any reinvestment products (if applicable) determined as at Financial Close.

If a Proponent's Financing Plan contains several senior finance facilities, each having a different Base Rate, the Service Payment adjustment will take into account fluctuations (positive or negative, as the case may be) in the Base Rate for each senior finance facility.



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5.6 BASE RATE BENCHMARKS

At or before the Submission Time for Base Rate(s) and Credit Spread Benchmarks, Proponents should identify the benchmark securities and other information, from the list provided by the Authority in accordance with Appendix K, that it will propose to use in its Financial Submission. Requirements of this submission are described in Appendix K.

With the exception of the potential switches described in Appendix K, no changes to a Proponent's selected benchmark securities and other information used to build the Base Rate(s) will be permitted after the Submission Time for Base Rate(s) and Credit Spread Benchmarks.

Based on the information provided by the Proponent at the Submission Time for Base Rate(s) and Credit Spread Benchmarks, the Authority will confirm within approximately 5 Business Days the Base Rate(s) that the Proponent should use in preparation of its Financial Submission. The Authority will verify the respective Base Rate(s) to each Proponent independently and such information will not be provided to other Proponents. These Base Rate(s) will be updated and provided to Proponents for use in their Financial Submission as described in Appendix K.

6. SUBMISSION INSTRUCTIONS

6.1 SUBMISSION TIMES AND SUBMISSION LOCATION

With respect to the delivery of Proposals:

- (a) Technical Submission: Proponents must submit the technical portion of the Proposal (the "**Technical Submission**") to the Submission Location by the Submission Time for Technical Submissions. The Technical Submission should be made up of the following:
 - i. the cover letter (and all attachments) to the Technical Submission as described in the Technical Submission Section of Appendix B; and
 - ii. the portion of the Proposal Requirements described in the Technical Submission Section of Appendix B.
- (b) Financial Submission: If invited to do so pursuant to Section 7.1, Proponents must submit the financial portion of the Proposal (the "**Financial Submission**") to the Submission



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Location by the Submission Time for Financial Submissions. The Financial Submission should be made up of the following:

- i. a completed Proposal Declaration Form in the form attached as Appendix C;
- ii. the cover letter (and all attachments) to the Financial Submission as described in the Financial Submission Section of Appendix B;
- iii. one or more commitment letters, substantially in the form of Appendix G, which for Credit Spread Hold Facilities should include confirmation of the Credit Spread that will be applicable to such facility until Financial Close;
- iv. the portion of the Proposal Requirements described in the Financial Submission Section of Appendix B;
- v. the completed Pricing Forms as described in Appendix B;
- vi. if and to the extent required in order to keep the Proposal Cost from exceeding the Affordability Ceiling, written descriptions of:
 - i. proposed amendments to the scope of the Project, made in accordance with Section 4.4; and
 - ii. amendments to its Technical Submission if reasonably required as a direct result of such scope changes; and
- vii. an independent Financial Model audit, for the benefit of, and reliance of, the Authority.

6.2 NUMBER OF COPIES

For each of its Technical Submission and Financial Submission, a Proponent should submit 6 hard copies (5 bound copies numbered 1 through 5; plus one unbound copy marked as Master) and one electronic copy (CD or USB flash drive, with a label on each describing its contents) appropriately packaged and clearly marked “Request for Proposals for the SRO Renewal Initiative”, except the Financial Model should be submitted in electronic (CD or USB flash drive) form only.



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6.3 NO FAX OR EMAIL SUBMISSION

Proposals submitted by fax or email will not be accepted.

6.4 LANGUAGE OF PROPOSALS

Proposals should be in English. Any portion of a Proposal not in English may not be evaluated.

6.5 RECEIPT OF COMPLETE RFP

Proponents are responsible to ensure that they have received the complete RFP, as listed in the table of contents of this RFP, plus any Addenda. A submitted Proposal will be deemed to have been prepared on the basis of the entire RFP issued prior to the Submission Time for Technical Submissions. The Authority accepts no responsibility for any Proponent lacking any portion of this RFP.

6.6 ENQUIRIES

All enquiries regarding any aspect of this RFP should be directed to the Contact Person by email (each, an “**Enquiry**”), and the following applies to any Enquiry:

- (a) responses to an Enquiry will be in writing;
- (b) all Enquiries, and all responses to Enquiries from the Contact Person, will be recorded by the Authority;
- (c) the Authority is not required to provide a response to any Enquiry;
- (d) a Proponent may request that a response to an Enquiry be kept confidential by clearly marking the Enquiry “Commercial in Confidence” if the Proponent considers the Enquiry is commercially confidential to it;
- (e) if the Authority decides that an Enquiry marked “Commercial in Confidence”, or the Authority’s response to such an Enquiry, must be distributed to all Proponents, then the Authority will permit the enquirer to withdraw the Enquiry rather than receive a response and if the Proponent does not withdraw the Enquiry, then the Authority may provide its response to all Proponents; and
- (f) notwithstanding Sections 6.6(d) and 6.6(e):



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- i. if one or more other Proponents submits an Enquiry on the same or similar topic to an Enquiry previously submitted by another Proponent as “Commercial in Confidence”, the Authority may provide a response to such Enquiry to all Proponents; and
- ii. if the Authority determines there is any matter which should be brought to the attention of all Proponents, whether or not such matter was the subject of an Enquiry, including an Enquiry marked “Commercial in Confidence”, the Authority may, in its discretion, distribute the Enquiry, response or information with respect to such matter to all Proponents.

Information offered from sources other than the Contact Person with regard to this RFP is not official, may be inaccurate, and should not be relied on in any way, by any person for any purpose.

6.7 ELECTRONIC COMMUNICATION

Proponents should not communicate with the Contact Person by fax. The Contact Person will not respond to any communications sent by fax.

The following provisions will apply to any email communications with the Contact Person, or the delivery of documents to the Contact Person by email where such email communications or deliveries are permitted by the terms of this RFP:

- (a) the Authority does not assume any risk or responsibility or liability whatsoever to any Proponent:
 - i. for ensuring that any electronic email system being operated for the Authority or Partnerships BC is in good working order, able to receive transmissions, or not engaged in receiving other transmissions such that a Proponent’s transmission cannot be received; or
 - ii. if a permitted email communication or delivery is not received by the Authority or Partnerships BC, or received in less than its entirety, within any time limit specified by this RFP; and



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- (b) all permitted email communications with, or delivery of documents by email to, the Contact Person will be deemed as having been received by the Contact Person on the dates and times indicated on the Contact Person's electronic equipment.

6.8 ADDENDA

The Authority may, in its discretion through the Contact Person, amend this RFP at any time by issuing a written Addendum. Written Addenda are the only means of amending or clarifying this RFP, and no other form of communication whether written or oral, including written responses to Enquiries as provided by Section 6.6, will be included in, or in any way amend, this RFP. Only the Contact Person is authorized to amend or clarify this RFP by issuing an Addendum. No other employee or agent of the Authority is authorized to amend or clarify this RFP. The Authority will provide a copy of all Addenda to all Proponents.

6.9 INTELLECTUAL PROPERTY RIGHTS

(a) Grant of Licence

Subject to Section 6.9(b), by submitting a Proposal, each Proponent will and will be deemed to have:

- i. granted to the Authority a royalty-free license without restriction to use for this Project any and all of the information, ideas, concepts, products, alternatives, processes, recommendations, suggestions and other intellectual property or trade secrets (collectively the "**Intellectual Property Rights**") contained in the Proponent's Proposal, or that are otherwise disclosed by the Proponent to the Authority; and
- ii. waived or obtained a waiver of all moral rights contained in the Proposal.

Proponents will not be responsible or liable for any use by the Authority or any sub-licensee or assignee of the Authority of any Intellectual Property Rights contained in a Proposal.

(b) Exceptions to Licence



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The license granted under Section 6.9(a) does not extend to Third Party Intellectual Property Rights to non-specialized third party technology and software that are generally commercially available. By submitting a Proposal, each Proponent represents to the Authority that it owns or has, and will continue to own or have at the Submission Time for Technical Submissions, all necessary rights to all Third Party Intellectual Property Rights contained in its Proposal or otherwise disclosed by the Proponent to the Authority and, subject to the foregoing exceptions, has the right to grant a license of such Third Party Intellectual Property Rights in accordance with Section 6.9(a).

6.10 DEFINITIVE RECORD

The electronic conformed version of the RFP in the custody and control of the Authority will prevail.

6.11 AMENDMENTS TO PROPOSALS

A Proponent may:

- (a) amend any aspect of its Technical Submission by delivering written notice, or written amendments, to the Submission Location prior to the Submission Time for Technical Submissions;
- (b) amend any aspect of its Financial Submission by delivering written notice, or written amendments, to the Submission Location prior to the Submission Time for Financial Submissions; and
- (c) in its Financial Submission, amend its Technical Submission as contemplated in Section 6.1(b).

A Proponent may not amend any aspect of its Proposal except as set out above.

6.12 CHANGES TO PROPONENT TEAMS

If for any reason a Proponent wishes or requires to add, remove or otherwise change a member of its Proponent Team or one of its Key Firms, or there is a material change in ownership or control of a member of the Proponent Team or a Key Firm, or there is a change to the legal relationship among any or all of the Proponent, its Proponent Team members and its Key Firms, then the Proponent must submit



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a written application to the Authority for approval, including supporting information that may assist the Authority in evaluating the change. The Authority, in its discretion, may grant or refuse an application under this Section, and in exercising its discretion the Authority will consider the objective of achieving a competitive procurement process that is not unfair to the other Proponents. For clarity:

- (a) the Authority may refuse to permit a change to the membership of a Proponent Team or a change to a Key Firm if the change would, in the Authority's judgement, result in a weaker team than was originally shortlisted; or
- (b) the Authority may, in the exercise of its discretion, permit any changes to a Proponent Team or Key Firm, including changes as may be requested arising from changes in ownership or control of a Proponent, a Proponent Team member or a Key Firm, or changes to the legal relationship among the Proponent, Proponent Team members and/or Key Firms, such as the creation of a new joint venture or other legal entity or relationship in place of the Proponent Team or Key Firms originally shortlisted.

The Authority's approval may include such terms and conditions as the Authority may consider appropriate.

6.13 VALIDITY OF PROPOSALS

By submitting a Proposal, each Proponent agrees that:

- (a) its Proposal, including all prices and input costs (except senior debt margins), will remain fixed and irrevocable from the Submission Time for Financial Submissions until midnight at the end of the 120th day following the Submission Time for Financial Submissions (the "**Proposal Validity Period**"); and
- (b) after the expiry of the Proposal Validity Period, all prices and input costs (except senior debt margins) in its Proposal may not be adjusted unless the Proponent provides notice to the Authority of any proposed adjustment and demonstrates to the satisfaction of the Authority that the Proponent has used its best efforts to continue to maintain the prices and input costs firm and valid, but that despite such best efforts, the specified adjustments to the prices and input costs are required solely as a direct result of one or more events that:



- i. are external to the Proponent and the Proponent Team members;
- ii. could not have been prevented by, and are beyond the control of, the Proponent and any of its Proponent Team members; and
- iii. constitute a material adverse change to the conditions underlying the prices and input costs that are subject to the adjustment.

A Proponent may indicate in its Proposal a Proposal Validity Period which exceeds 120 days.

6.14 MATERIAL CHANGE AFTER SUBMISSION TIME FOR FINANCIAL SUBMISSIONS

A Proponent will give immediate notice to the Authority of any material change that occurs to a Proponent after the Submission Time for Financial Submissions, including a change to its membership or a change to the Proponent's financial capability.

7. EVALUATION

7.1 MANDATORY REQUIREMENTS

The Authority has determined that the following are the Mandatory Requirements:

- (a) the Proponent and each of its Equity Members must have signed and delivered to the Contact Person the Participation Agreement in accordance with Section 5.1;
- (b) the Technical Submission must be received at the Submission Location before the Submission Time for Technical Submissions and the Financial Submission must be received at the Submission Location before the Submission Time for Financial Submissions; and
- (c) the Proposal Cost as at the Submission Time for Financial Submissions must not exceed the Affordability Ceiling.

Proposals which do not comply with the Mandatory Requirements will be rejected and not considered further in the evaluation process, except if the Proposal Cost of each Proposal received as at the Submission Time for Financial Submissions exceeds the Affordability Ceiling the Authority reserves the right to, in its discretion, evaluate all Proposals received, or reject all Proposals.



7.2 MATERIAL COMPLIANCE

The Authority will review each Technical Submission to determine whether, in the Authority's opinion, such Technical Submission fails to meet, to a material extent, an important and essential requirement of the Final Draft Project Agreement (a "**Material Non-compliance**"). The Authority will not be responsible to identify any non-compliance with the Final Draft Project Agreement contained in a Technical Submission, and the Authority will not be liable to any Proponent for failing to identify a non-compliance in a Proposal (including the Preferred Proponent's Proposal). However, if the Authority discovers what in the Authority's opinion is a Material Non-compliance then the Authority will by written notice (a "**Material Non-compliance Notice**") inform the Proponent that submitted the Proposal of the Material Non-compliance(s) and invite the Proponent to confirm in writing, if selected, that the Proponent will address the Material Non-compliance(s) such that the Proponent will meet all of the requirements of the Final Draft Project Agreement. A Proponent receiving a Material Non-compliance Notice will not be required to revise or resubmit its Technical Submission and the Authority will not review any revision or resubmission by the Proponent.

Each Proponent, by submitting its Technical Submission acknowledges that:

- (a) the nature of the Competitive Selection Process and the process under the Project Agreement if awarded, are such that the Technical Submission is only indicative of the Proponent's interpretation at the Submission Time for Technical Submissions of how the Proponent proposes to meet the requirements of the Final Draft Project Agreement; and
- (b) the Technical Submission, and the Authority's review of the Technical Submission, will not relieve the successful Proponent from meeting the requirements of the Final Draft Project Agreement.

7.3 INVITATION TO SUBMIT FINANCIAL SUBMISSION

The Authority will, in its discretion, provide one of the following responses to each Technical Submission:

- (a) an invitation to submit a Financial Submission;
- (b) a Material Non-compliance Notice; or
- (c) a notification that the Proponent will not be invited to submit a Financial Submission.



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If the Proponent provides the Authority with a response to a Material Non-compliance Notice that is satisfactory to the Authority then the Authority will provide the Proponent with an invitation to submit a Financial Submission.

The Authority reserves the right to disqualify a Proponent that has not been provided with an invitation to submit a Financial Submission.

7.4 EVALUATION OF PROPOSALS

The Authority will evaluate Proposals in the manner set out in Appendix A. The Authority will not evaluate a Proposal if it has been rejected, or if the applicable Proponent has been disqualified, in accordance with this RFP.

The Authority may, in its discretion, take any one or more of the following steps, at any time and from time to time, in connection with the review and evaluation, including ranking, of any aspect of a Proposal, including if the Authority considers that any Proposal, including the Technical Submission or the Financial Submission, or any part of a Proposal, requires clarification or more complete information, contains defects, alterations, qualifications, omissions, inaccuracies or misstatements, or does not for any reason whatsoever satisfy any requirements of this RFP at any time, or for any other reason the Authority in its discretion deems appropriate and in the interests of the Authority and this RFP, or either of them:

- (a) waive any such defect, ambiguity, alteration, qualification, omission, inaccuracy, misstatement or failure to satisfy, and any resulting ineligibility on the part of the Proponent, or any member of the Proponent Team;
- (b) independently consider, investigate, research, analyze, request or verify any information or documentation whether or not contained in any Proposal;
- (c) request interviews or presentations with any, all or none of the Proponents to clarify any questions or considerations based on the information included in Proposals during the evaluation process, with such interviews or presentations conducted in the discretion of the Authority, including the time, location, length and agenda for such interviews or presentations;
- (d) conduct reference checks relevant to the Project with any or all of the references cited in a Proposal and any other persons (including persons other than those listed by Proponents in any part of their Proposals) to verify any and all information regarding a



Proponent, inclusive of its directors/officers and Key Individuals, and to conduct any background investigations that it considers necessary in the course of the Competitive Selection Process, and rely on and consider any relevant information from such cited references in the evaluation of Proposals;

- (e) conduct credit, criminal record, litigation, bankruptcy, taxpayer information and other checks;
- (f) not proceed to review and evaluate, or discontinue the evaluation of any Proposals, including any Technical Submission or Financial Submission, and disqualify the Proponent from this RFP; and
- (g) seek clarification or invite more complete, supplementary, replacement or additional information or documentation from any Proponent or in connection with any Proposal, including with any Technical Submission or Financial Submission or any part of their component packages.

Without limiting the foregoing, the Authority may in its discretion, decline to review, evaluate or rank, or may reject outright any Proposal which in the opinion of the Authority is materially incomplete or irregular, which contains omissions, exceptions or variations not acceptable to, or material to, the Authority, which contains any false or misleading statements, claims or information, or for which background investigations reveal any false statements, criminal affiliations or activities by a Proponent or Proponent Team member.

To enable the Authority to take any one or more of the above-listed steps, the Authority may enter into separate and confidential communications of any kind whatsoever, with any person, including any Proponent. The Authority has no obligation whatsoever to take the same steps, or to enter into the same or any communications in respect of all Proponents and Proposals, or in respect of any Proponent, including the Proponent whose Proposal is the subject of the review or evaluation, as the case may be.

The review and evaluation, including the ranking, of any Proposal may rely on, take into account and include any information and documentation, including any clarification, more complete, supplementary and additional or replacement information or documentation, including information and documentation obtained through any of the above-listed investigations, research, analyses, checks, and verifications.

Proponents may not submit any clarifications, information or documentation in respect of the Technical Submission after the Submission Time for Technical Submissions and in respect of the Financial



Submission after the Submission Time for Financial Submissions, without the prior written approval of the Authority or at the invitation or request of the Authority.

If any information, including information as to experience or capacity, contained in a Proposal is not verified to the Authority's satisfaction, the Authority may, in its discretion, not consider such cited experience, capacity or other information.

The Authority is not bound by industry custom or practice in taking any of the steps listed above, in exercising any of its discretions, in formulating its opinions and considerations, exercising its discretions in making any decisions and determinations, or in discharging its functions under or in connection with this RFP, or in connection with any Proponent, Proposal, or any part of any Proposal, including any Technical Submission or Financial Submission.

The Authority's decision, in its discretion, as to whether or not a Technical Submission contains a Material Non-Compliance will be final and the Authority need not consult with any Proponent in making its decision.

8. SELECTION OF PREFERRED PROPONENT AND AWARD

8.1 SELECTION AND AWARD

If the Authority selects a Preferred Proponent, the Proponent with the highest ranked Proposal will be selected as the Preferred Proponent, and the Authority will invite the Preferred Proponent to enter into final discussions to settle all terms of the Project Agreement, based on the Preferred Proponent's Proposal, including any clarifications that the Preferred Proponent may have provided during the evaluation of Proposals.

If for any reason the Authority determines that it is unlikely to reach final agreement with the Preferred Proponent, then the Authority may terminate the discussions with the Preferred Proponent and proceed in any manner that the Authority may decide, in consideration of its own best interests, including:

- (a) terminating the procurement process entirely and proceeding with some or all of the Project in some other manner, including using other contractors; or
- (b) inviting one of the other Proponents to enter into discussions to reach final agreement for completing the Project.

Any final approvals required by the Authority, such as from the board of the Authority or from the Provincial Government, will be conditions precedent to the final execution or commencement of the Project Agreement.

8.2 FINAL DRAFT PROJECT AGREEMENT

It is the intention of the Authority that:

- (a) any issues with respect to the Project Agreement will be discussed during the Collaborative Meetings and fully considered prior to issuance of the Final Draft Project Agreement; and
- (b) once issued, the Final Draft Project Agreement will not be further substantively modified and will be executed by the Preferred Proponent without further substantive amendment, except for changes, modifications and additions:
 - i. relating to the determination by the Authority, in its discretion, of which:
 - A. parts, if any, of the Proposal are to be incorporated by reference or otherwise, into the Project Agreement or otherwise pursuant to express provisions of the Project Agreement; or
 - B. modifications, changes or additions, if any, requested by a Proponent pursuant to Section 4.4 that are acceptable to the Authority;
 - ii. to those provisions or parts of the Final Draft Project Agreement which are indicated as being subject to completion or finalization, or which the Authority determines in its discretion require completion or finalization, including provisions which require:
 - A. modification or the insertion or addition of information relating to the Proponent's formation (e.g., corporate, partnership or trust structure) and funding structure; and
 - B. modification or the insertion or addition of information in order to reflect accurately the nature of the Proponent's relationships with



its principal subcontractors (including each of the Project Contractors);

- iii. required by the Authority to complete, based on the Proposal, any provision of the Final Draft Project Agreement, including changes, modifications and additions contemplated in or required under the terms of the Final Draft Project Agreement;
- iv. that are necessary to create or provide for a legally complete, enforceable and binding agreement;
- v. that enhance clarity in legal drafting; or
- vi. that may be required as a consequence of Changed Funding Arrangements.

The Authority also reserves the right in its discretion to negotiate changes to the Final Draft Project Agreement and to the Preferred Proponent's Proposal.

Upon Financial Close, the Project Agreement, and the instruments and documents to be executed and delivered pursuant to it, supersede (except as expressly incorporated therein) the RFP and the Proposal submitted in respect of Project Co.

8.3 PREFERRED PROPONENT SECURITY DEPOSIT

Subject to the terms of this RFP:

- (a) the Authority will invite the Preferred Proponent to deliver the Preferred Proponent Security Deposit on or before the date and time specified by the Authority, such date not to be earlier than 5 Business Days after notification of the appointment of the Preferred Proponent; and
- (b) the Preferred Proponent's eligibility to remain the Preferred Proponent is conditional upon the Preferred Proponent delivering the Preferred Proponent Security Deposit to the Authority on or before the date and time specified by the Authority.



8.4 RETURN OF SECURITY DEPOSIT

Subject to Section 8.5, the Authority will return the Preferred Proponent Security Deposit to the Preferred Proponent:

- (a) within 10 days after receipt by the Authority of notice of demand from the Preferred Proponent, if:
 - i. the Authority exercises its right under Section 10.1 to terminate this RFP prior to entering into the Project Agreement for reasons unrelated to the Preferred Proponent or any member of the Preferred Proponent's Proponent Team; or
 - ii. the Authority fails, within the Proposal Validity Period, to execute and deliver an agreement substantially in the form of the Final Draft Project Agreement finalized by the Authority in accordance with Section 8.2, provided that such failure is not the result of:
 - A. the failure of the Preferred Proponent to satisfy any conditions set out in the Final Draft Project Agreement; or
 - B. any extensions to the Proposal Validity Period arising from any agreement by the Authority to negotiate changes to the Final Draft Project Agreement pursuant to Section 8.2; or
- (b) within 10 days after Financial Close with such Preferred Proponent.

8.5 RETENTION OF SECURITY DEPOSIT

Notwithstanding any receipt by the Authority of the notice described in Section 8.4, the Authority may, in its discretion, draw on, retain and apply the proceeds of the Preferred Proponent Security Deposit for the Authority's own use as liquidated damages, if:

- (a) the Proponent or any Proponent Team member is in material breach of any term of this RFP or the Participation Agreement; or
- (b) after receipt of written notice from the Authority:



- i. the Preferred Proponent fails to execute and deliver an agreement substantially in the form of the Final Draft Project Agreement finalized by the Authority in accordance with Section 8.2; or
- ii. Financial Close fails to occur within 30 days (or such longer period as the parties may agree) of receipt of such notice from the Authority,

unless:

- iii. any such failure was the result of a significant event which could not have been reasonably prevented by, or was beyond the reasonable control of, the Preferred Proponent; and
- iv. the Preferred Proponent demonstrates to the Authority's satisfaction, acting reasonably, that the occurrence of such significant event would materially frustrate or render it impossible for the Preferred Proponent to perform its obligations under the Project Agreement for a continuous period of 180 days as if the Project Agreement was in force and effect.

8.6 COMMUNICATION REGARDING PROGRESS TO FINANCIAL CLOSE

Between selection as Preferred Proponent and Financial Close, the Preferred Proponent should communicate regularly with the Authority with respect to progress towards Financial Close and any credit market issues or other circumstances which could lead to material changes in Base Rates and Credit Spreads.

Prior to Financial Close, the Preferred Proponent will undertake several "dry runs" with the Authority so that the parties are familiar with, and agree on, the technical process for determining the final Base Rate(s) and Credit Spreads to be included in the Financial Model.

8.7 CHANGED FUNDING ARRANGEMENTS

Without limiting the Authority's rights under this RFP, if at any time after selection of the Preferred Proponent the Preferred Proponent's Proposal Cost exceeds the Affordability Ceiling, the Authority may request the Preferred Proponent to seek alternative funding arrangements, subject to the review and approval of the Authority; or the Authority may obtain additional or other funding; or the Authority and the Preferred Proponent may together seek any alternative funding arrangements (collectively, the "**Changed**



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Funding Arrangements”), and the parties may negotiate the Changed Funding Arrangements and any related matter.

8.8 CREDIT SPREAD REFRESH LOCK-IN

The “**Credit Spread Refresh Lock-In Date**” will be the date, not to be later than the Business Day prior to Financial Close, when the Preferred Proponent will either confirm the Credit Spread applicable to each Credit Spread Refresh Facility or change the Credit Spread applicable to each Credit Spread Refresh Facility by submitting to the Authority:

- (a) the revised Credit Spreads calculated using the Credit Spread Benchmark and formulae approved pursuant to Section 5.4 (including all detail for the Authority to confirm the movement in the Credit Spread Benchmark and applicable revision to the Credit Spread);
- (b) a fully optimized Financial Model that has been revised only to reflect the then-current value for the Base Rate and Credit Spread on each Credit Spread Refresh Facility;
- (c) pricing schedules revised only with respect to the then-current value for the Base Rate and Credit Spread on each Credit Spread Refresh Facilities; and
- (d) if applicable and exclusively as a result of a change of Base Rate and Credit Spread on the Credit Spread Refresh Facilities, a revised schedule of Service Payments reflecting the financial effect of the revised Base Rate and Credit Spread.

As of the Credit Spread Refresh Lock-In Date, but subject to all other rights of the Authority under this RFP, the revised Credit Spread(s) on the Credit Spread Refresh Facilities and any re-optimization of its Financial Model and any revisions to its Financing Plan provided by the Preferred Proponent will apply through to Financial Close.

Prior to the Credit Spread Refresh Lock-In Date the Preferred Proponent will undertake several “dry runs” with the Authority so that the parties are familiar with, and agree on, the technical process for determining the final Credit Spread and Financial Model.

8.9 SPREAD DECREASE ON CREDIT SPREAD HOLD FACILITIES

With respect to Credit Spread Hold Facilities, if the Preferred Proponent or any Affiliate of the Preferred Proponent is able to secure financing for the Project on terms more favourable than the terms submitted



at the Submission Time for Financial Submissions, the resulting gain will accrue 50% to the Preferred Proponent and 50% to the Authority. The mechanism and process to be used to calculate and apportion such gain will be substantially similar to that used to calculate a Refinancing Gain under the Project Agreement.

8.10 PARTIAL COMPENSATION FOR PARTICIPATION IN THIS RFP

Upon execution of the Project Agreement, the Authority will pay \$400,000 (inclusive of any GST/HST payable) to each unsuccessful Proponent that:

- (a) submitted a bona fide and responsive Technical Submission and Financial Submission;
- (b) has not withdrawn from the Competitive Selection Process or been disqualified by the Authority in accordance with the terms of this RFP; and
- (c) provides to the Authority written acknowledgment of:
 - i. the disclaimers, limitations and waivers of liability and Claims contained in this RFP, including Section 10.13; and
 - ii. the grant of Intellectual Property Rights to the Authority and waiver of moral rights pursuant to Section 6.9.

If the Authority exercises its right under Section 10.1 to terminate the RFP process prior to entering into the Project Agreement with a Proponent, the Authority will pay to each Proponent the lesser of:

- (d) \$400,000 (inclusive of any GST/HST payable); and
- (e) the substantiated out-of-pocket costs reasonably incurred by the Proponent in preparing its Proposal,

provided that if the Authority exercises such rights after the selection of a Preferred Proponent, the Preferred Proponent must have delivered the Preferred Proponent Security Deposit in accordance with Section 8.3 to be entitled to receive any such payment.

In determining whether to make available the partial compensation described in this Section 8.10, the Authority considered the potential value of obtaining the licence to the Authority of rights to the Intellectual Property Rights and the waiver of moral rights pursuant to Section 6.9. Accordingly, after selection of the



Preferred Proponent, Financial Close or the expiry of the Proposal Validity Period, the Authority may be willing to consider payment of up to \$400,000 (inclusive of any GST/HST payable) to a Proponent that fails to meet the Mandatory Requirements on conditions satisfactory to the Authority and the Proponent. The conditions may include the Authority reviewing the Intellectual Property Rights (such as for a Proposal that was returned) and being satisfied with the value of such rights and the Proponent entering into an agreement with the Authority granting license rights to the Authority. Such arrangements will not be governed by this RFP.

8.11 DEBRIEFS

The Authority will, following Financial Close, upon request from a Proponent within 60 days of Financial Close, conduct a debriefing for that Proponent.

9. CONFLICT OF INTEREST AND RELATIONSHIP DISCLOSURE

9.1 RESERVATION OF RIGHTS

The Authority reserves the right to disqualify any Proponent that in the Authority's opinion has a conflict of interest or an unfair advantage (including access to any confidential information not available to all Proponents), whether real, perceived, existing now or likely to arise in the future, or may permit the Proponent to continue and impose such conditions as the Authority may consider to be in the public interest or otherwise required by the Authority.

9.2 RELATIONSHIP DISCLOSURE

Each Proponent, including each member of the Proponent Team, should fully disclose all relationships they may have with the Authority, any Restricted Party, or any other Person providing advice or services to the Authority with respect to the Project or any other matter that gives rise, or might give rise, to a conflict of interest or an unfair advantage:

- (a) by submission of completed Relationship Disclosure Forms with its Proposal; and
- (b) thereafter during the Competitive Selection Process by written notice addressed to the Contact Person promptly after becoming aware of any such relationship.

At the time of such disclosure, the Proponent will include sufficient information and documentation to demonstrate that appropriate measures have been, or will be, implemented to mitigate, minimize or eliminate the actual, perceived or potential conflict of interest or unfair advantage, as applicable. The



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Proponent will provide such additional information and documentation and implement such additional measures as the Authority may require in its discretion in connection with the Authority's consideration of the disclosed relationship and proposed measures.

9.3 USE OR INCLUSION OF RESTRICTED PARTIES

The Authority may, in its discretion, disqualify a Proponent, or may permit a Proponent to continue and impose such conditions as the Authority may consider to be in the public interest or otherwise required by the Authority, if the Proponent is a Restricted Party, or if the Proponent uses a Restricted Party:

- (a) to advise or otherwise assist the Proponent respecting the Proponent's participation in the Competitive Selection Process; or
- (b) as a Proponent Team member or as an employee, advisor or consultant to the Proponent or a Proponent Team member.

Each Proponent is responsible to ensure that neither the Proponent nor any Proponent Team member uses or seeks advice or assistance from any Restricted Party, or includes any Restricted Party in the Proponent Team.

9.4 CURRENT RESTRICTED PARTIES

At this RFP stage, and without limiting the definition of Restricted Parties, the Authority has identified the following persons, firms or organizations as Restricted Parties:

- (a) Better Outcomes Consulting Inc.;
- (b) Boughton Law Corporation (COI Adjudicator);
- (c) BTY Group (Quantity Surveyor);
- (d) Bull, Housser & Tupper LLP (Legal Advisor);
- (e) DSG Management Group Inc.;
- (f) Espirito Corp.;
- (g) exp Global Inc. (formerly Trow Associates Inc.) and their sub-consultants (the Authority's compliance team) including:



- i. McGinn Engineering & Preservation Ltd / Barry McGinn, Architect;
 - ii. Omicron;
 - iii. LMDG Building Code Consultants Ltd.;
 - iv. Luiz Leon & Associates Ltd.;
 - v. Pioneer Engineering Consultants Ltd.;
 - vi. Prism Engineering Ltd.;
 - vii. Pacific Meridian Consulting Inc.;
 - viii. Pacific Environmental Consulting and Occupational Hygiene Services; and
 - ix. Liahona Security,
- (h) Frank Blasetti (Due Diligence Advisor);
 - (i) Gordon MacKenzie Architect Incorporated and their sub-consultants including:
 - i. JM Engineering Ltd.;
 - ii. FWD Systems Design Ltd.; and
 - iii. Roy Campbell Ltd.,
 - (j) Joan M. Young, McMillan LLP, (Fairness Advisor);
 - (k) MHPM Project Managers Inc.;
 - (l) PricewaterhouseCoopers LLP (Business Advisor);
 - (m) Vertech Elevator Service Inc.; and
 - (n) the Authority and Partnerships BC, including their former and current employees who fall within the definition of Restricted Party.



This is not an exhaustive list of Restricted Parties. Additional persons, firms or organizations may be added to, or deleted from, the list during any stage of the Competitive Selection Process through an Addendum.

9.5 CONFLICT OF INTEREST ADJUDICATOR

The Authority has appointed a conflict of interest adjudicator (the “**COI Adjudicator**”) to provide decisions on conflicts of interest or unfair advantage issues, including whether any person is a Restricted Party. The Authority may, at its discretion, refer matters to the COI Adjudicator.

9.6 REQUEST FOR ADVANCE DECISION

A Proponent or a prospective member or advisor of a Proponent who has any concerns regarding whether a current or prospective employee, advisor or member of that Proponent is, or may be, a Restricted Party, or has a concern about any conflict or unfair advantage it may have, is encouraged to request an advance decision by submitting to the Contact Person, not less than 10 days prior to the Submission Time for Technical Submissions by email, the following information:

- (a) names and contact information of the Proponent and the person or firm for which the advance opinion is requested;
- (b) a description of the relationship that raises the possibility or perception of a conflict of interest or unfair advantage;
- (c) a description of the steps taken to date, and future steps proposed to be taken, to mitigate the conflict of interest or unfair advantage, including the effect of confidential information; and
- (d) copies of any relevant documentation.

The Authority may make an advance decision or may refer the request for an advance decision to the COI Adjudicator. If the Authority refers the request to the COI Adjudicator, the Authority may make its own submission to the COI Adjudicator.

If a Proponent or prospective team member or advisor becomes a Restricted Party, it may be listed in an Addendum or in subsequent Competitive Selection Process documents as a Restricted Party.



9.7 THE AUTHORITY MAY REQUEST ADVANCE DECISIONS

The Authority may also independently make advance decisions, or may seek an advance decision from the COI Adjudicator, where the Authority identifies a potential conflict, unfair advantage, or a person who may be a Restricted Party. The Authority will, if it seeks an advance decision from the COI Adjudicator, provide the COI Adjudicator with relevant information in its possession. If the Authority seeks an advance decision from the COI Adjudicator, the Authority will give notice to the Proponent, and may give notice to the possible Restricted Party so that it may make its own response to the COI Adjudicator.

The onus is on the Proponent to clear any potential conflict, unfair advantage, or Restricted Party, or to establish any conditions for continued participation, and the Authority may require that the Proponent make an application under Section 9.6.

9.8 DECISIONS FINAL AND BINDING

The decision of the Authority or the COI Adjudicator, as applicable, is final and binding on the persons requesting the ruling and all other parties including Proponents, Proponent Team members and the Authority. The Authority or the COI Adjudicator, as applicable, has discretion to establish the relevant processes from time to time, including any circumstances in which a decision may be reconsidered.

The Authority may provide any decision by the Authority or the COI Adjudicator regarding conflicts of interest to all Proponents if the Authority, in its discretion, determines that the decision is of general application.

9.9 SHARED USE

A “**Shared Use Person**” is a person identified by the Authority as eligible to do work for more than one Proponent, including a person who has unique or specialized information or skills such that the Authority considers in its discretion their availability to all Proponents to be desirable in the interests of the Competitive Selection Process. Any Shared Use Person will be required to agree not to enter into exclusive arrangements with any Proponent. As of the date of this RFP, no Shared Use Persons have been identified.

9.10 EXCLUSIVITY

Unless permitted by the Authority in its discretion or permitted as a Shared Use Person, each Proponent will ensure that no member of its Proponent Team, or any Affiliated Person of any member of its Proponent Team, participates as a member of any other Proponent Team.



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If a Proponent contravenes the foregoing, the Authority reserves the right to disqualify the Proponent, or may permit the Proponent to continue and impose such conditions as may be required by the Authority. Each Proponent is responsible, and bears the onus, to ensure that the Proponent, each member of its Proponent Team and their respective Affiliated Persons do not contravene the foregoing.

A Proponent or a prospective Proponent Team member who has any concerns regarding whether participation does or will contravene the foregoing is encouraged to request an advance decision in accordance with this Section through the following process:

- (a) to request an advance decision on matters related to exclusivity, the Proponent or prospective Proponent Team member should submit to the Contact Person, not less than 10 days prior to the Submission Time by email, the following information:
 - i. names and contact information of the Proponent or prospective Proponent Team member making the disclosure;
 - ii. a description of the relationship that raises the possibility of non-exclusivity;
 - iii. a description of the steps taken to-date, and future steps proposed to be taken, to mitigate any material adverse or potential material adverse effect of the non-exclusivity on the competitiveness or integrity of the Competitive Selection Process; and
 - iv. copies of any relevant documentation.

The Authority may require additional information or documentation to demonstrate to the satisfaction of the Authority in its discretion that no such non-exclusivity exists or, if it does, that measures satisfactory to the Authority in its discretion have been or will be implemented to eliminate or mitigate any risk to the competitiveness or integrity of the Competitive Selection Process.

10. RFP TERMS AND CONDITIONS

10.1 NO OBLIGATION TO PROCEED

This RFP does not commit the Authority to select a Preferred Proponent or enter into a Project Agreement, and the Authority reserves the complete right to at any time reject all Proposals, and to



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terminate this RFP and the Competitive Selection Process and proceed with the Project in some other manner.

10.2 NO CONTRACT

Other than to the extent provided in the Participation Agreement, this RFP is not a contract between the Authority and any Proponent nor is this RFP an offer or an agreement to purchase work, goods or services. No contract of any kind for work, goods or services whatsoever is formed under, or arises from this RFP, or as a result of, or in connection with, the submission of a Proposal, unless the Authority and the Preferred Proponent execute and deliver the Project Agreement, and then only to the extent expressly set out in the Project Agreement.

10.3 FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT

All documents and other records in the custody of, or under the control of, the Authority are subject to the *Freedom of Information and Protection of Privacy Act* (“**FOIPPA**”) and other applicable legislation. Except as expressly stated in this RFP, and subject to FOIPPA or other applicable legislation, all documents and other records submitted in response to this RFP will be considered confidential.

By submitting a Proposal, the Proponent represents and warrants to the Authority that the Proponent has complied with applicable Laws, including by obtaining from each Person any required consents and authorizations to the collection of information relating to such individual and to the submission of such information to the Authority and the use, distribution and disclosure of such information as part of the Proposal for the purposes of, or in connection with, this RFP and the Competitive Selection Process.

10.4 COST OF PREPARING THE PROPOSAL

Subject to Section 8.10, each Proponent is solely responsible for all costs it incurs in the preparation of its Proposal, including all costs of providing information requested by the Authority, attending meetings and conducting due diligence.

10.5 CONFIDENTIALITY OF INFORMATION

All information pertaining to the Project received by any Proponent or Proponent Team member through participation in this RFP is confidential and may not be disclosed without written authorization from the Contact Person, and in no event will a Proponent discuss the Project with any member of the public or the media without the prior written approval of the Authority.



10.6 RESERVATION OF RIGHTS

The Authority reserves the right, in its discretion, to:

- (a) amend the scope of the Project, and/or modify, cancel or suspend the Competitive Selection Process at any time for any reason;
- (b) accept or reject any Proposal based on the Authority's evaluation of the Proposals in accordance with Appendix B, and in particular the Authority is not obliged to select the Proposal with the lowest Proposal Cost;
- (c) reject a Proposal that fails to meet the Mandatory Requirements;
- (d) waive a defect, irregularity, non-conformity or non-compliance in or with respect to a Proposal or failure to comply with the requirements of this RFP except for Mandatory Requirements (but subject to the Authority's right with respect to the Affordability Ceiling requirement as set out in Section 7.1), and accept that Proposal even if such a defect, irregularity, non-conformity or non-compliance or failure to comply with the requirements of this RFP would otherwise render the Proposal null and void;
- (e) re-advertise for new Proposals to this or a modified RFP, call for quotes, proposals or tenders, or enter into negotiations for this Project or for work of a similar nature;
- (f) make any changes to the terms of the business opportunity described in this RFP;
- (g) negotiate any aspects of a Preferred Proponent's Proposal; and
- (h) extend, from time to time, any date, time period or deadline provided in this RFP, upon written notice to all Proponents,

in each case without any obligation, compensation or reimbursement to any Proponent or any of its Proponent Team members subject to any payment required pursuant to Section 8.10.

10.7 NO COLLUSION

Proponents and Proponent Team members, their employees and representatives involved with the Proposal, including Key Individuals, will not discuss or communicate, directly or indirectly, with any other Proponent or any director, officer, employee, consultant, advisor, agent or representative of any other



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Proponent (including any Proponent Team member of such other Proponent) regarding the preparation, content or representation of their Proposals.

By submitting a Proposal, a Proponent, on its own behalf and as authorized agent of each firm, corporation or individual member of the Proponent and Proponent Team, represents and confirms to the Authority, with the knowledge and intention that the Authority may rely on such representation and confirmation, that its Proposal has been prepared without collusion or fraud, and in fair competition with Proposals from other Proponents.

10.8 NO LOBBYING

Proponents, Proponent Team members (including Key Individuals), and their respective directors, officers, employees, consultants, agents, advisors and representatives will not engage in any form of political or other lobbying whatsoever in relation to the Project, this RFP, or the Competitive Selection Process, including for the purpose of influencing the outcome of the Competitive Selection Process. Further, no such person (other than as expressly contemplated by this RFP) will attempt to communicate in relation to the Project, this RFP, or the Competitive Selection Process, directly or indirectly, with any representative of the Authority, the Government of British Columbia (including any Minister or Deputy Minister, any member of the Executive Council, or any Members of the Legislative Assembly), Partnerships BC, any Restricted Parties, or any director, officer, employee, agent, advisor, consultant or representative of any of the foregoing, as applicable, for any purpose whatsoever, including for purposes of:

- (a) commenting on, or attempting to influence views on, the merits of the Proponent's Proposal, or in relation to Proposals of other Proponents;
- (b) influencing, or attempting to influence, the evaluation and ranking of Proposals, the selection of the Preferred Proponent, or any negotiations with the Preferred Proponent;
- (c) promoting the Proponent or its interests in the Project, including in preference to that of other Proponents;
- (d) commenting on or criticizing aspects of this RFP, the Competitive Selection Process, the Project, or the Project Agreement, including in a manner which may give the Proponent a competitive or other advantage over other Proponents; and
- (e) criticizing the Proposals of other Proponents.



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In the event of any lobbying or communication in contravention of this Section, the Authority in its discretion may at any time, but will not be required to, reject any and all Proposals submitted by that Proponent without further consideration and the Proponent will not be eligible for, or receive, the partial compensation as set out in Section 8.10.

10.9 PARTNERSHIPS BC PROJECTS

The Authority may at any time, including without limitation for purposes of evaluation and negotiation, take into account any relevant information that becomes available to it from any source. Without limiting the foregoing, the Authority has engaged Partnerships BC, which is currently engaged in projects across a variety of sectors, and the Authority may receive information in respect of those other projects which may be relevant to Proponents or Proponent Team members. Subject to Section 2.2, the Authority may share information that is available from this Project with Partnerships BC and other projects. The Authority assumes no responsibility to identify relevant information from other projects and Proponents remain fully responsible to submit a complete Proposal.

10.10 OWNERSHIP OF PROPOSAL

All Proposals submitted to the Authority become the property of the Authority and will be received and held in confidence by the Authority, subject to the provisions of FOIPPA and this RFP.

10.11 DISCLOSURE AND TRANSPARENCY

The Authority is committed to an open and transparent procurement process. To assist the Authority in meeting its commitment, Proponents will cooperate and extend all reasonable accommodation to this endeavour.

The Authority expects to publicly disclose the following information during this stage of the Competitive Selection Process:

- (a) the RFP;
- (b) the number of Proponents; and
- (c) the name of Proponents.

Following Financial Close, the Authority expects to publicly disclose:

- (d) the Fairness Advisor's report;



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- (e) a Project Report; and
- (f) the final Project Agreement excluding those portions that may be redacted pursuant to the application of FOIPPA.

Each Proponent agrees that:

- (g) to ensure that all public information generated about the Project is fair and accurate and will not inadvertently or otherwise influence the RFP process, the disclosure of any public information generated in relation to the Project, including communications with the media and the public, must be coordinated with, and is subject to prior written approval of, the Authority;
- (h) it will notify the Authority of any and all requests for information or interviews received from the media; and
- (i) it will ensure that all of the Proponent Team members and others associated with the Proponent comply with the requirements of this RFP.

10.12 FAIRNESS ADVISOR

The Authority has appointed Joan M. Young (the “**Fairness Advisor**”) to monitor the Competitive Selection Process. The Fairness Advisor will provide a written report to the Authority that the Authority will make public.

The Fairness Advisor will be:

- (a) provided full access to all documents, meetings and information related to the evaluation processes under this RFP which the Fairness Advisor, in its discretion, decides is required; and
- (b) kept fully informed by the Authority of all documents and activities associated with this RFP.

Proponents may contact the Fairness Advisor directly with regard to concerns about the fairness of the Competitive Selection Process.



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10.13 LIMITATION OF DAMAGES

Each Proponent on its own behalf and on behalf of the Proponent Team and any member of a Proponent Team:

- (a) agrees not to bring any Claim against the Authority or any of its employees, advisors or representatives for damages in excess of the amount equivalent to the reasonable costs incurred by the Proponent in preparing its Proposal for any matter in respect of this RFP or Competitive Selection Process, including:
 - i. if the Authority accepts a non-compliant proposal or otherwise breaches, or fundamentally breaches, the terms of this RFP or the Competitive Selection Process; or
 - ii. if the Project or Competitive Selection Process is modified, suspended or cancelled for any reason (including modification of the scope of the Project or modification of this RFP or both) or the Authority exercises any rights under this RFP; and
- (b) waives any and all Claims against the Authority or any of its employees, advisors or representatives for loss of anticipated profits or loss of opportunity if no agreement is made between the Authority and the Proponent for any reason, including:
 - i. if the Authority accepts a non-compliant proposal or otherwise breaches or fundamentally breaches the terms of this RFP or the Competitive Selection Process; or
 - ii. if the Project or Competitive Selection Process is modified, suspended or cancelled for any reason (including modification of the scope of the Project or modification of this RFP or both) or the Authority exercises any rights under this RFP.

This Section does not limit the Authority's obligation to make payment under Section 8.10, but in no event will the Authority's liability exceed the amount calculated pursuant to Section 8.10.



11. INTERPRETATION

11.1 DEFINITIONS

In this RFP:

Capitalized terms in this RFP that are not defined in this Section have the meaning given in the Project Agreement.

“**Addendum**” means an addendum to this RFP issued by the Contact Person as described in Section 6.8;

“**Additional Building Condition Information**” has the meaning set out in Section 3.3;

“**Affiliated Persons**”, or affiliated persons, or persons affiliated with each other, are:

- (a) a corporation and:
 - i. a person by whom the corporation is controlled;
 - ii. each member of an affiliated group of persons by which the corporation is controlled; and
 - iii. a spouse or common-law partner of a person described in subparagraph (i) or (ii);
- (b) two corporations, if:
 - i. each corporation is controlled by a person, and the person by whom one corporation is controlled is affiliated with the person by whom the other corporation is controlled;
 - ii. one corporation is controlled by a person, the other corporation is controlled by a group of persons, and each member of that group is affiliated with that person; or
 - iii. each corporation is controlled by a group of persons, and each member of each group is affiliated with at least one member of the other group;
- (c) a corporation and a partnership, if the corporation is controlled by a particular group of persons each member of which is affiliated with at least one member of a majority-interest group of partners of the partnership, and each member of that majority-interest group is affiliated with at least one member of the particular group;
- (d) a partnership and a majority interest partner of the partnership;
- (e) two partnerships, if:
 - i. the same person is a majority-interest partner of both partnerships;



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- ii. a majority-interest partner of one partnership is affiliated with each member of a majority-interest group of partners of the other partnership; or
 - iii. each member of a majority-interest group of partners of each partnership is affiliated with at least one member of a majority-interest group of partners of the other partnership;
- (f) a person and a trust, if the person:
- i. is a majority-interest beneficiary of the trust; or
 - ii. would, if this subsection were read without reference to this paragraph, be affiliated with a majority-interest beneficiary of the trust; and
- (g) two trusts, if a contributor to one of the trusts is affiliated with a contributor to the other trust; and
- i. a majority-interest beneficiary of one of the trusts is affiliated with a majority-interest beneficiary of the other trust;
 - ii. a majority-interest beneficiary of one of the trusts is affiliated with each member of a majority-interest group of beneficiaries of the other trust; or
 - iii. each member of a majority-interest group of beneficiaries of each of the trusts is affiliated with at least one member of a majority-interest group of beneficiaries of the other trust;

“Affordability Ceiling” has the meaning set out in Section 4.1;

“Affordability Model” has the meaning set out in Section 4.2;

“Authority” means the British Columbia Housing Management Commission;

“Authority Representatives” has the meaning set out in Section 2.2;

“Base Date” means August 1, 2012;

“Base Rate” means the base interest rate for any proposed senior debt facility as shown in the Proponent’s Financial Model;

“Base Rate Benchmark” has the meaning set out in Section 1 of Appendix K;

“Buildings” has the meaning set out in Section 1.1;

“Building Condition Reports” has the meaning set out in Section 3.3;

“Changed Funding Arrangements” has the meaning set out in Section 8.7;



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“**City**” means the City of Vancouver;

“**Claim**” means any claim, demand, suit, action, or cause of action, whether arising in contract, tort or otherwise, and all costs and expenses relating thereto;

“**COI Adjudicator**” means the person described in Section 9.5;

“**Collaborative Meetings**” has the meaning set out in Section 2.2;

“**Competitive Selection Process**” means the overall process for the selection of a Preferred Proponent for the Project including, but not limited to, this RFP stage;

“**Construction Payments**” means payments from the Authority to Project Co during the Construction Period pursuant to Schedule 8 [Payments] of the Project Agreement;

“**Contact Person**” means the person identified as such in the Summary of Key Information;

“**Credit Spread**” means for any debt facility the rate of interest applicable to the amount of such debt facility as shown in the Financial Model minus the applicable Base Rate;

“**Credit Spread Benchmark**” means publicly verifiable and observable tools/rates or a basket of tools/rates used to measure the movement of the Credit Spread;

“**Credit Spread Hold Facilities**” has the meaning set out in Section 5.3;

“**Credit Spread Refresh Lock-In Date**” has the meaning set out in Section 8.8;

“**Credit Spread Refresh Facilities**” has the meaning set out in Section 5.3;

“**Credit Spread Refresh Protocol**” has the meaning set out in Appendix K;

“**Data Room**” has the meaning set out in Section 2.4;

“**Enquiry**” has the meaning set out in Section 6.6;

“**Equity Member**” of a Proponent means an individual, corporation, joint venture, partnership or other legal entity who will have an ownership or equity interest in the Project, as identified in the Proponent’s RFQ response and as may be changed pursuant to the RFQ or this RFP;

“**Fairness Advisor**” has the meaning set out in Section 10.12;

“**Final Draft Project Agreement**” has the meaning set out in Section 2.3;



“Financial Close” means the time when the Project Agreement and all financing and other agreements related to the Project have been executed and delivered and all conditions to the effectiveness of the Project Agreement and Project financing agreements have been satisfied;

“Financing Plan” has the meaning set out in Section 4.6.1 of Appendix B;

“Financial Model” has the meaning set out in Section 4.7 of Appendix B;

“Financial Submission” has the meaning set out in Appendix B;

“FOIPPA” has the meaning set out in Section 10.3;

“GST/HST” at any given time means the tax imposed at that time pursuant to Section IX of the *Excise Tax Act* (Canada);

“Indicative Design” has the meaning set out in Schedule 3 [Design and Construction Specifications] of the Project Agreement;

“Initial Draft Project Agreement” means the draft Project Agreement labelled “Initial Draft Project Agreement” and posted in the Data Room;

“Intellectual Property Rights” has the meaning set out in Section 6.9;

“Key Individuals” of a Proponent means the specific firms and persons, exclusive to the Proponent, filling the following roles (or equivalent) in the Proponent’s Proposal:

- (a) Project Co’s Project Director;
- (b) Design Builder’s Program or Project Manager;
- (c) Design Builder’s Design Manager;
- (d) Design Builder’s Construction Manager;
- (e) Heritage Consultant;
- (f) Project Co’s Maintenance and Rehabilitation Manager; and
- (g) Project Co’s Communications Director (or a professional firm that delivers communications/stakeholder engagement services);

“Key Firm” means an individual or firm (including a corporation or joint venture) other than a Key Individual identified by a Proponent in its RFQ Response and/or its Proposal to have primary



responsibility for the performance of one or more key activities related to Design, Construction and/or Services.

“Mandatory Requirements” means the Proposal requirements described in Section 7.1;

“Material Non-Compliance” has the meaning set out in Section 7.2;

“Material Non-Compliance Notice” has the meaning set out in Section 7.2;

“Mid-Market Rate” means the mid-point between the buy and the sell price at a given time for a security;

“Partnerships BC” means Partnerships British Columbia Inc.;

“Participation Agreement” has the meaning set out in Section 5.1;

“Performance Specifications” means the specifications for the design, construction and maintenance of the Buildings as set out in the Project Agreement, including Schedule 3 [Design and Construction Specifications] and Schedule 4 [Services Protocols and Specifications];

“Person” means an individual, legal personal representative, corporation, body corporate, firm, partnership, trust, trustee, syndicate, joint venture, limited liability company, association, unincorporated organization, union or Governmental Authority;

“Preferred Proponent” means the Proponent selected pursuant to this RFP to enter into negotiations with the Authority for a Project Agreement;

“Preferred Proponent Security Deposit” means an irrevocable letter of credit in the amount of \$500,000 in the form set out in Appendix H or in such other form acceptable to the Authority in its discretion;

“Pricing Forms” means the forms set out in Appendix B;

“Project” means the design, construction, financing, commissioning and maintenance and other specified services of and for the Buildings and all other works ancillary to the Buildings;

“Project Agreement” has the meaning set out in Section 1.1;

“Project Co” means the entity that enters into the Project Agreement with the Authority;

“Project Work” means the scope of work undertaken by Project Co in the completion of the Project;

“Proponent” means one of the consortia identified in Section 1.2, represented by the individual or entity that will undertake the lead development role in respect of the Project, as identified in its RFQ response and as may be changed pursuant to the RFQ or this RFP;



“Proponent Team” means a Proponent, its Design-Builder, its Service Provider, its Equity Members and Key Individuals;

“Proposal” means a proposal submitted in response to this RFP;

“Proposal Cost” has the meaning set out in Section 4.2;

“Proposal Requirements” means the requirements described in Appendix B;

“Proposal Validity Period” has the meaning set out in Section 6.13;

“Relationship Disclosure Form” means a form substantially as set out in Appendix D or as otherwise acceptable to the Authority;

“Restricted Party” means those persons or firms (including their former and current employees) who had, or currently have, participation or involvement in the Competitive Selection Process or the design, planning or implementation of the Project, and who may provide a material unfair advantage or confidential information to any Proponent that is not, or would not reasonably be expected to be, available to other Proponents;

“RFP” means this request for proposals;

“RFQ” has the meaning set out in Section 1.2;

“Scope Ladder” has the meaning set out in Section 4.4;

“Shared Use Person” has the meaning set out in Section 9.9;

“Submission Location” means the submission location identified as such in the Summary of Key Information;

“Submission Time for Base Rate(s) and Credit Spread Benchmarks” means the date and time set out in the Summary of Key Information at the front of this RFP;

“Submission Time for Financial Submissions” means the time indicated as such in the Summary of Key Information;

“Submission Time for Technical Submissions” means the time indicated as such in the Summary of Key Information;

“Technical Submission” has the meaning set out in Appendix B; and

“Third Party Intellectual Property Rights” means all Intellectual Property Rights of any Person which is not a member of, or a related party to, a member of the Proponent Team.



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11.2 INTERPRETATION

In this RFP:

- (a) the use of headings is for convenience only and headings are not to be used in the interpretation of this Agreement;
- (b) a reference to a Section or Appendix, unless otherwise indicated, is a reference to a Section of or Appendix to this RFP;
- (c) words imputing any gender include all genders, as the context requires, and words in the singular include the plural and vice versa;
- (d) the word “including” when used in this RFP is not to be read as limiting; and
- (e) each Appendix attached to this RFP is an integral part of this RFP as if set out at length in the body of this RFP.



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APPENDIX A EVALUATION OF PROPOSALS

The Authority will evaluate Proposals in accordance with this Appendix A.

1. TECHNICAL SUBMISSION

As contemplated in Section 7.2 of this RFP, the Technical Submission evaluation will consider whether the Technical Submission contains any Material Non-Compliances.

2. FINANCIAL SUBMISSION

The Authority will evaluate whether the Financial Submission substantially satisfies the following requirements:

- (a) the Proponent has arranged sufficient financing for the Project having regard to the requirements of the RFP and the Final Draft Project Agreement;
- (b) the Proponent's Financing Plan, including security, bonding, guarantees and insurance elements, is robust and deliverable;
- (c) the Proponent's Financing Plan can be executed expediently if the Proponent is selected as Preferred Proponent;
- (d) each of the equity funders of the Proponent continue to have the ability to raise sufficient capital to fund the equity requirements; and
- (e) the Proponent is financially viable.

If the Authority determines that the Financial Submission does not substantially satisfy the above requirements, the Authority may decide not to complete a detailed evaluation of the Proposal.



3. RANKING PROCESS

Following the evaluation of the Technical Submission and the Financial Submission in accordance with the terms of this RFP, the Proposals will be ranked according to the following process:

- (a) each Proposal will be examined to identify the extent to which, if at all, Scope Ladder items, as described in Section 4.4 of this RFP, have been used to achieve the Affordability Ceiling requirements;
- (b) the Proposals will then be ranked in accordance with the number of Scope Ladder items used, with the Proposals that use the least number of Scope Ladder items being ranked the highest, and the Proposals that use the most Scope Ladder items being ranked the lowest;
- (c) if two or more Proposals are ranked highest under 3(b), the Proposal which offers the lowest Proposal Cost will receive the highest ranking and be designated the highest-ranked Proposal;
- (d) if two or more of the Proposals that are ranked highest under 3(b) have the same Proposal Cost and it is the lowest Proposal Cost, the Authority will select from among such Proposals the Proposal that in the Authority's discretion is the most advantageous to the Authority and such Proposal will be designated as the highest ranking Proposal.



APPENDIX B
PROPOSAL REQUIREMENTS

Provide as separate document.



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APPENDIX C PROPOSAL DECLARATION FORM

1. *This Proposal Declaration should be executed by the Proponent.*
2. *By executing this Proposal Declaration, the Proponent agrees to the provisions of the RFP and this Proposal Declaration.*
3. *Capitalized terms are defined in Section 11.1 of the RFP.*

[RFP Proponent's Letterhead]

To: [Insert client and address]

Attention: [Insert contact person]

In consideration of the Authority's agreement to consider our Proposal in accordance with the terms of the RFP, the Proponent hereby agrees, confirms and acknowledges on its own behalf and on behalf of each member of the Proponent Team, to the extent applicable to such Proponent Team member and within the reasonable knowledge of such Proponent Team member, that:

1. Proposal

- (a) this Proposal Declaration Form has been duly authorized and validly executed by the Proponent;
- (b) the Proponent is bound by all statements and representations in its Proposal;
- (c) its Proposal strictly conforms with the RFP and that any failure to strictly conform with the RFP may, in the discretion of the Authority, be cause for rejection of its Proposal;
- (d) its Proposal is made without collusion or fraud;



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- (e) the Authority reserves the right to verify information in its Proposal and conduct any background investigations including criminal record investigations, verification of the Proposal, credit enquiries, litigation searches, bankruptcy registrations and other investigations on all or any of the Proponent Team members, and by submitting a Proposal, the Proponent and each Proponent Team member consents to the conduct of all or any of those investigations by the Authority;

2. Acknowledgements with Respect to the RFP

- (a) the Proponent and each Proponent Team member has received, read, examined and understood the entire RFP including all of the terms and conditions, all documents listed in the RFP Table of Contents, and any and all Addenda;
- (b) the Proponent has provided a Proposal that does not exceed the Affordability Ceiling as defined in the RFP;
- (c) the Proponent and each Proponent Team member agrees to be bound by the entire RFP including all of the terms and conditions, all documents listed in the RFP Table of Contents, and any and all Addenda;
- (d) the Proponent's representative identified below is fully authorized to represent the Proponent and each Proponent Team member in any and all matters related to its Proposal, including but not limited to providing clarifications and additional information that may be requested in association with the RFP;
- (e) the Proponent has disclosed all relevant relationships of the Proponent and each Proponent Team member, in accordance with the instructions and format outlined in the Relationship Disclosure Form; and
- (f) the Final Draft Project Agreement is in a form acceptable to the Proponent Team and the Senior Lenders (subject to the commitment letter or commitment letters submitted with the Financial Submission);

3. Consent of Proponent Team



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- (a) the Proponent has obtained the express written consent and agreement of each member of the Proponent Team, as listed below, to all terms of this Proposal Declaration Form to the extent applicable to such Proponent Team member, and within the reasonable knowledge of such Proponent Team member.

4. Proponent Team consists of:

Name	Address	Equity Member or Key Individual

PROPONENT REPRESENTATIVE

Name Name of Employer

Address Email Address

Name of Authorized Signatory Telephone



Signature

If the Proponent is a joint venture, consortium or special purpose entity – by each of its joint venture or consortium members, as applicable, as identified in the response to the RFQ as the respondent or the respondent team lead(s), or as otherwise acceptable to the Authority.



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APPENDIX D RELATIONSHIP DISCLOSURE FORM

This form must be completed by the Proponent Team on its own behalf and on behalf of each member of the Proponent Team.

The Proponent declares on its own behalf and on behalf of each member of the Proponent Team that:

- 1. This declaration is made to the best of the knowledge of the Proponent and, with respect to relationships of each member of the Proponent Team, to the best knowledge of that member;**
- 2. The Proponent and the members of the Proponent Team have reviewed the definition of Restricted Parties and the list of Restricted Parties;**
- 3. The following is a full disclosure of all known relationships the Proponent and each member of the Proponent Team has, or has had, with:**
 - (a) the Authority;
 - (b) any listed Restricted Party;
 - (c) any current employees, shareholders, directors or officers, as applicable, of the Authority or any listed Restricted Party;
 - (d) any former shareholders, directors or officers, as applicable, of the Authority or any listed Restricted Party, who ceased to hold such position within two calendar years prior to the Submission Time for Technical Submissions; and
 - (e) any other person who, on behalf of the Authority or a listed Restricted Party, has been involved in the Competitive Selection Process or the design, planning or implementation of the Project.



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Name of Proponent Team Member	Name of Party with Relationship (e.g., list the Authority, Restricted Party)	Details of the Nature of the Relationship with the listed Restricted Party/Person (e.g. <i>Proponent Team member was an advisor to the Restricted Party from 2005-2006</i>)

NAME OF PROPONENT:

Name of Firm – Proponent/Key Individual:

Address:

Email Address:

Telephone:

Name of Authorized Signatory for
 Proponent/Key Individual:

Signature:



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APPENDIX E
PROPONENT COMMENTS FORM
(Collaborative Meetings – s. 2.3(b))

SRO Renewal Initiative

Section	Proposed Change (including detailed drafting)	Reasons for Proposed Change	the Authority Response



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APPENDIX F
PARTICIPATION AGREEMENT

Month Day, 2012

British Columbia Housing Management Commission
Suite 1701 - 4555 Kingsway
Burnaby, BC V5H 4V8

Attention: Dawn Hart, Contact Person

Dear Sirs/Mesdames:

Re: SRO Renewal Initiative – Participation Agreement in respect of the Request for Proposals issued by the Authority on February 15, 2012, as amended or otherwise clarified from time to time, including by all Addenda (the “**RFP**”).

This letter agreement sets out the terms and conditions of the Participation Agreement between ▼ [insert name of Proponent] (the “**Proponent**”) and the Authority, pursuant to which the Proponent agrees with the Authority as follows:

- 1. Defined Terms.** Capitalized terms not otherwise defined in this Participation Agreement have the meanings given to them in the RFP
- 2. Participation.** The Proponent agrees that as a condition of participating in the RFP, including the Competitive Selection Process, Collaborative Meetings and access to the Data Room, the Proponent and each of its Equity Members will comply with the terms of this Participation Agreement and the terms of the RFP.
- 3. Confidentiality.** The Proponent will comply with, and will ensure that all of the Proponent Team members and others associated with the Proponent also comply with, the Confidentiality Conditions attached as Schedule 1 to this Participation Agreement, all of which conditions are expressly included as part of this Participation Agreement.
- 4. Terms of RFP.** The Proponent will comply with and be bound by, and will ensure that all of the Proponent Team members and others associated with the Proponent also comply with and are



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bound by, the provisions of the RFP, all of which are incorporated into this Participation Agreement by reference. Without limiting the foregoing the Proponent agrees:

- (a) that the terms of this Participation Agreement do not limit the Proponent's obligations and requirements under the RFP, any Data Room agreement, or any other document or requirement of the Authority;
- (b) to be bound by the disclaimers, limitations and waivers of liability and Claims and any indemnities contained in the RFP, including Section 10.13 (Limitation of Damages) of the RFP. In no event will the liability of the Authority exceed the amount calculated pursuant to Section 8.10 (Partial Compensation for Participation in the RFP) of the RFP;
- (c) that the Authority's and the Proponent's obligations in respect of payments of partial compensation or other similar payment are as set out in Section 8.10 (Partial Compensation for Participation in the RFP) of the RFP; and
- (d) that the Authority's and the Proponent's obligations in respect of the Preferred Proponent Security Deposit are as set out in Sections 8.3, 8.4 and 8.5 of the RFP.

5. Amendments. The Proponent acknowledges and agrees that:

- (a) the Authority may in its discretion amend the RFP at any time and from time to time; and
- (b) by submitting a Proposal the Proponent accepts, and agrees to comply with, all such amendments and, if the Proponent does not agree to any such amendment, the Proponent's sole recourse is not to submit a Proposal.

6. General.

- (a) *Capacity to Enter Agreement.* The Proponent hereby represents and warrants that:
 - i. it has the requisite power, authority and capacity to execute and deliver this Participation Agreement;

- ii. this Participation Agreement has been duly and validly executed by it, or on its behalf by the Proponent's duly authorized representatives; and
 - iii. this Participation Agreement constitutes a legal, valid and binding agreement enforceable against it in accordance with its terms.
-
- (b) *Survival following cancellation of the RFP.* Notwithstanding anything else in this Participation Agreement, if the Authority, for any reason, cancels the Competitive Selection Process or the RFP, the Proponent agrees that it continues to be bound by, and will continue to comply with, Sections 3 of this Participation Agreement.
 - (c) *Severability.* If any portion of this Participation Agreement is found to be invalid or unenforceable by law by a court of competent jurisdiction, then that portion will be severed and the remaining portion will remain in full force and effect.
 - (d) *Enurement.* This Participation Agreement enures to the benefit of the Authority and binds the Proponent and its successors.
 - (e) *Applicable Law.* This Participation Agreement is deemed to be made pursuant to the laws of the Province of British Columbia and the laws of Canada applicable therein and will be governed by and construed in accordance with such laws.
 - (f) *Headings.* The use of headings is for convenience only and headings are not to be used in the interpretation of this Participation Agreement.
 - (g) *Gender and Number.* In this Participation Agreement, words imputing any gender include all genders, as the context requires, and words in the singular include the plural and vice versa.
 - (h) *Including.* The word including when used in this Participation Agreement is not to be read as limiting.

Yours truly,



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(Name of Proponent)

(Name of Equity Member)

Authorized Signatory

Authorized Signatory

Name of Authorized Signatory
(please print)

Name of Authorized Signatory
(please print)

Name of Equity Member

Authorized Signatory
(please print)

Add signature block for each Equity Member



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SCHEDULE 1

CONFIDENTIALITY CONDITIONS

1. **Definitions.** In these confidentiality conditions:

- (a) **Confidential Information** means all documents, knowledge and information provided by the Disclosing Party to, or otherwise obtained by, the Receiving Party, whether before or after the date of the RFP, whether orally, in writing or other visual or electronic form in connection with or relevant to the Project, the RFP, the RFQ or the Competitive Selection Process, including, without limitation, all design, operational and financial information, together with all analyses, compilations, data, studies, photographs, specifications, manuals, memoranda, notes, reports, maps, documents, computer records or other information in hard copy, electronic or other form obtained from the Disclosing Party or prepared by the Receiving Party containing or based upon any such information. Notwithstanding the foregoing, Confidential Information does not include information which:
- (1) is or subsequently becomes available to the public, other than through a breach by the Receiving Party of the terms of this Schedule 1;
 - (2) is subsequently communicated to the Receiving Party by an independent third party, other than a third party introduced to the Receiving Party by the Disclosing Party or connected with the Project, without breach of this Schedule 1 and which party did not receive such information directly or indirectly under obligations of confidentiality;
 - (3) was rightfully in the possession of the Receiving Party or was known to the Receiving Party before the date of the RFP and did not originate, directly or indirectly, from the Disclosing Party;
 - (4) was developed independently by the Receiving Party without the use of any Confidential Information; or



- (5) is required to be disclosed pursuant to any judicial, regulatory or governmental order validly issued under applicable law;
- (b) **Disclosing Party** means the Authority or any of its Representatives;
- (c) **Permitted Purposes** means evaluating the Project, preparing a Proposal, and any other use permitted by the RFP or this Participation Agreement;
- (d) **Receiving Party** means a Proponent or any of its Representatives;
- (e) **Representative** means a director, officer, employee, agent, accountant, lawyer, consultant, financial advisor, subcontractor, Equity Member, Key Individual, Project team members or any other person contributing to or involved with the preparation or evaluation of Proposals or proposals, as the case may be, or otherwise retained by the Receiving Party, the Authority or Partnerships BC in connection with the Project.
- 2. Confidentiality.** The Receiving Party will keep all Confidential Information strictly confidential and will not without the prior written consent of the Authority, which may be unreasonably withheld, disclose, or allow any of its Representatives to disclose, in any manner whatsoever, in whole or in part, or use, or allow any of its Representatives to use, directly or indirectly, the Confidential Information for any purpose other than the Permitted Purposes. The Receiving Party will make all reasonable, necessary, and appropriate efforts to safeguard the Confidential Information from disclosure to any other person, firm, corporation, or other entity except as permitted in this Schedule 1, and will ensure that each of its Representatives agrees to keep such information confidential and to act in accordance with the terms contained herein.
- 3. Ownership of Confidential Information.** The Authority owns all right, title and interest in the Confidential Information and, subject to any disclosure requirements under applicable law, and except as permitted by this Schedule 1,



the Receiving Party will keep all Confidential Information that the Receiving Party receives, has access to, or otherwise obtains strictly confidential for a period of three years after the date of the RFP, and will not, without the prior express written consent of an authorized representative of the Authority, which may be unreasonably withheld, use, divulge, give, release or permit or suffer to be used, divulged, given or released, any portion of the Confidential Information to any other person, firm, corporation or other entity for any purpose whatsoever.

4. **Limited Disclosure.** The Receiving Party may disclose Confidential Information only to those of its Representatives who need to know the Confidential Information for the purpose of evaluating the Project and preparing its Proposal or proposal as applicable and on the condition that all such Confidential Information be retained by each of those Representatives as strictly confidential. The Receiving Party will notify Partnerships BC, on request, of the identity of each Representative to whom any Confidential Information has been delivered or disclosed.
5. **Destruction on Demand.** On written request, the Receiving Party will promptly deliver to Partnerships BC or destroy all documents and copies thereof in its possession or control constituting or based on the Confidential Information and the Receiving Party will confirm that delivery or destruction to Partnerships BC in writing, all in accordance with the instructions of Partnerships BC (for this purpose information stored electronically will be deemed destroyed upon removal from all storage systems and devices); provided, however, that the Receiving Party may retain one copy of any Confidential Information which it may be required to retain or furnish to a court or regulatory authority pursuant to applicable law.



- 6. Acknowledgment of Irreparable Harm.** The Receiving Party acknowledges and agrees that the Confidential Information is proprietary and confidential and that the Authority or Partnerships BC may be irreparably harmed if any provision of this Schedule 1 were not performed by the Receiving Party or any party to whom the Receiving Party provides Confidential Information in accordance with its terms, and that any such harm could not be compensated reasonably or adequately in damages. The Receiving Party further acknowledges and agrees that the Authority will be entitled to injunctive and other equitable relief to prevent or restrain breaches of any provision of this Schedule 1 by the Receiving Party or any of its Representatives, or to enforce the terms and provisions hereof, by an action instituted in a court of competent jurisdiction, which remedy or remedies are in addition to any other remedy to which the Authority may be entitled at law or in equity.
- 7. Waiver.** No failure to exercise, and no delay in exercising, any right or remedy under this Schedule 1 by the Authority will be deemed to be a waiver of that right or remedy.



APPENDIX G
COMMITMENT LETTER TEMPLATE

Letter to be in substantially the following form, addressed to the Authority, and sent from all Senior Lenders supporting the Proposal, either individually or (provided that all of them sign the letter) as a group. Separate letters from separate groups of Senior Lenders (e.g., senior, mezzanine, capital markets, and financial guarantors) will be permitted, if appropriate.

To: British Columbia Housing Management Commission
Suite 1701 - 4555 Kingsway
Burnaby, BC V5H 4V8

Re: SRO Renewal Initiative (the “**Project**”)

[Individual letter - Bank or other financial institution name] [Group letter]

The signatories of this letter provide(s) this letter in support of the Proposal (as defined in the RFP) submitted by [the Proponent’s name] (the Proponent) in response to the RFP issued by the Authority on February 15, 2012, as amended, in relation to the Project and in consideration of the Authority inviting the Proponent to submit such Proposal.

1. We confirm that we have undertaken the due diligence that we consider necessary on the Project to enable us to offer committed financing to the Proponent in an amount of not less than \$▼.00 in support of the Proponent’s Proposal, which the Proponent has confirmed to us complies with the requirements of the RFP. The provision of such financing will be subject only to the following:
 - (a) the completion of a satisfactory audit of the financial close financial model;
 - (b) negotiation and finalization of funding documentation based on the attached debt term sheet; and
 - (c) negotiation and finalization of Principal Contracts based on the heads of terms included in the Proposal.
2. We have carried out and relied upon the due diligence referred to in paragraph 1 above with support from, and in cooperation with, [name] (our legal advisors), [name] (our technical advisors) and [name] (our insurance advisors) [and [name] (our model auditors)]. In particular:



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- (a) due diligence on the Technical Submission proposed for the Project by the Proponent has been undertaken on our behalf and we are satisfied with the Technical Submission;
 - (b) due diligence on the insurance proposals contained in the Proposal and the Authority's requirements in relation to insurances for the Project has been undertaken on our behalf and we can confirm that we are satisfied with the adequacy of the proposed insurance arrangements contained within the Proposal (assuming that such insurance arrangements are commercially available at the time of financial close);
 - (c) due diligence has been undertaken on the Financial Model included in the Proposal and we confirm that the results of the Financial Model (including the sensitivities) are satisfactory and capable of supporting the proposed financing described in the attached debt term sheet; and
 - (d) we confirm that we accept the terms and risk allocation of and have no further comments on the Final Draft Project Agreement, and that this agreement is acceptable without modification (except as contemplated therein) for purposes of financing the Project as contemplated in this letter.
3. We are satisfied that the attached debt term sheet sets out all significant commercial terms and conditions relating to the financing referred to in paragraph 1 above and the debt funding structure and, if any, all required terms relating to any material adverse change conditions to which the commitment referred to in paragraph 1 above is subject.
4. [If individual letters submitted] We confirm that we have received credit committee approval and, if any, other required internal approvals for the underwriting of up to [] % of the [describe relevant facilities referred to in debt term sheet] on the terms contemplated by this letter and the attached debt term sheet.

[If group letters submitted] We confirm that we have received credit committee approval and, if any, other required internal approvals for the underwriting of the facilities referred to in the attached debt term sheet in the following percentages and on the terms contemplated by this letter and the attached debt term sheet:



[List banks/financial institutions individually and the percentage participations of each of them in each facility]

[If individual or group letters submitted] We confirm that [our commitment] [the commitment of each signatory of this letter] described in this letter in the amount represented by the percentage[s] detailed above will not be affected by any subsequent withdrawal by, or removal of, any other Senior Lender from the Proponent's financing plan].

5. We confirm that we will be able to meet the Authority's timetable to achieve Financial Close (i.e., execution and delivery of all funding agreements and satisfaction of all conditions precedent to initial drawdown) by 13 weeks after the announcement of the Proponent as the Preferred Proponent.

This letter does not constitute an offer of finance or a legally binding commitment of any kind to provide finance. This letter is intended for your exclusive use and may not be relied upon or used by any other person. This letter is provided on the condition that the contents will be treated as strictly private and confidential and shall not be disclosed or quoted in whole or in part to any person other than the Authority, other governmental authorities including the Province of British Columbia, and/or their advisors.

The provisions of this letter and attached debt term sheet have been approved for a period expiring not less than 120 days from the date of submission of the Financial Submission forming part of the Proposal on August 1, 2012 (the "**Submission Time for Financial Submissions**" under the RFP).



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APPENDIX H
PREFERRED PROPONENT SECURITY DEPOSIT

[Note: The Preferred Proponent Security Deposit should be a Letter of Credit substantially in the following form, issued by a Canadian chartered bank acceptable to the Authority in its discretion and be callable at the bank's counters in Vancouver, British Columbia.]

TO: British Columbia Housing Management Commission

<>

(the Beneficiary)

RE: PREFERRED PROPONENT SECURITY DEPOSIT

IRREVOCABLE LETTER OF CREDIT NO: _____

Dear Sirs:

At the request of our client, _____ (the "**Customer**"), we hereby issue in your favour our irrevocable letter of credit No. _____ ("**Letter of Credit**") for a sum not exceeding in the aggregate XXX,XXX Thousand Canadian Dollars (CDN \$XXX,XXX) effective immediately.

This bank shall immediately pay to you under this Letter of Credit any amount or amounts claimed, not exceeding in the aggregate the sum of CDN \$250,000 upon your written demand(s) for payment being made upon us at our counter during normal business hours, <> **[Note: insert address of Bank in Vancouver, British Columbia]**, Canada referencing this irrevocable Letter of Credit No. _____ dated _____.

Partial drawings are permitted.

This Letter of Credit is issued subject to Uniform Customs and Practice for Documentary Credits, 2007 Revision, ICG Publication No. 600.



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Drawings up to the full amount of the Letter of Credit may be made where the drawing is accompanied by a certificate executed by an authorized signatory of the Beneficiary stating that:

- (a) the person signing the certificate is an authorized signatory of the Beneficiary; and
- (b) the Beneficiary is entitled to draw upon this Letter of Credit.

Any drawings made under this Letter of Credit must be accompanied by the original or certified copy of this Letter of Credit, together with an original certificate complying with the conditions set out above.

We shall honour your written demand(s) for payment on presentation without enquiring whether you have a legitimate claim between yourself and our said Customer.

All banking charges are for the account of the Customer.

This Letter of Credit shall remain in full force and effect and, unless renewed, will expire at the close of business on _____ [insert 180 days after the Submission Time for Financial Submissions]

Notice of non-renewal will be provided to the Beneficiary in writing by registered mail by not later than 30 days before the expiry date.

Authorized Signatory

Authorized Signatory



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**APPENDIX I
CONSTRUCTION INSURANCE UNDERWRITING QUESTIONNAIRE**

CONSTRUCTION INSURANCE

UNDERWRITING QUESTIONNAIRE

SUBMIT THE COMPLETED QUESTIONNAIRE TO:

Risk Management Branch, PO Box 9405 Stn Prov Govt, Victoria BC V8W
9V1 OR FAX to (250) 953-3050

- ✓ Complete this questionnaire for any/all construction being performed on your property.
- ✓ Only fill in areas applicable to your construction project.

CONSTRUCTION PROJECT TYPE:	New Construction <input checked="" type="checkbox"/>	Addition <input type="checkbox"/>	Renovation <input type="checkbox"/>	Envelope Repair <input type="checkbox"/>	Roofing <input type="checkbox"/>
-----------------------------------	--	-----------------------------------	-------------------------------------	--	----------------------------------

Owner:	Insert Authority Name
Mailing Address:	Insert Address
Project Location Address:	Insert Address
Legal Description:	Insert Legal Description
Project Description (name):	Insert Project Name

NAME AND ADDRESS OF THE FOLLOWING:
Project Manager:
General Contractor:



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Architect:	
Architectural & Engineering Consultants:	
Mortgagee:	1 st
<i>(include address)</i>	2 nd

BUDGET SUMMARY:	Provide copy of provisional construction budget summary.	Attached: Yes <input type="checkbox"/> No <input type="checkbox"/>
Estimated Project Cost:	\$ _____	Hard Costs: \$ _____ e.g. all materials, labour, estimate for inflation, consulting fees (including architect, engineer, etc.), etc. Soft Costs: \$ _____ e.g. property taxes, building permits, insurance premiums, construction loan fees, additional interest expenses, leasing and marketing expenses, sustained as a consequence of insured physical damage.

Project Duration:	Proposed Date:	Starting	Estimated Completion Date:
	_____	_____	_____
		<i>dd-mmm-yyyy</i>	<i>dd-mmm-yyyy</i>

CONSTRUCTION INFORMATION:	No. of Buildings:	No. of Units:	No. of Storeys:
	_____	_____	_____
Distance between Buildings (if applicable):	_____	Wall Construction:	_____
	<i>feet</i>		Roof Construction:
	_____		_____



RENOVATION PROJECTS:	Year Structure Built:	Roofing Work: Yes <input type="checkbox"/> No <input type="checkbox"/>
Will the existing building(s) be in the care and custody of the contractor? Yes <input type="checkbox"/> No <input type="checkbox"/>		
If yes to Roofing Work Describe:		Estimate of Roofing Work \$

FIRE PROTECTION:	No. of operating Fire Hydrants: _____	Distance to Fire Hydrants: _____ <i>feet</i>
Distance to Fire Hall: _____		<i>Miles</i>
If NEW CONSTRUCTION , confirm hydrants will be pressurized prior to framing: Yes <input type="checkbox"/> No <input type="checkbox"/>		

SURROUNDING EXPOSURES:								
Buildings:	North	feet	South	feet	East	feet	West	feet
	_____		_____		_____		_____	
Roads:	North	feet	South	feet	East	feet	West	feet

DESCRIBE SITE SECURITY DETAILS:	
--	--

INTENDED OCCUPANCY OF COMPLETED	If partial occupancy prior to completion, what
--	--



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PROJECT?	portion?
-----------------	----------

TRANSIT LIMIT OF EXPOSURE:	\$	Materials being transported outside of Canada or the USA?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
		Maximum value of material stored away from the construction site?	\$	

TYPE OF AREA:	Business: <input type="checkbox"/>	Downtown: <input type="checkbox"/>	Industrial: <input type="checkbox"/>	Residential: <input type="checkbox"/>	Rural: <input type="checkbox"/>	Other: <input type="checkbox"/>
----------------------	------------------------------------	------------------------------------	--------------------------------------	---------------------------------------	---------------------------------	---------------------------------

SUB-CONTRACTORS:	With respect to the 4 largest sub-contractors please provide the following:				
Description of Work:			Estimated Price Including Materials:		
			\$		
			\$		
			\$		
			\$		

BLASTING (if any):	Estimated Price: \$ _____	Pre-Blast Survey: Yes <input type="checkbox"/>	No <input type="checkbox"/>	
		Seismographic Readings: Yes <input type="checkbox"/>	No <input type="checkbox"/>	

EXCAVATION (if any):	Performed By: _____	Estimated Price: \$ _____
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Excavated Material Types: _____ If yes, how will it be controlled?	Water table above bottom of excavation?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
--	--	------------------------------	-----------------------------

ASBESTOS REMOVAL:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Duration	: _____	weeks	Estimated Value:	\$ _____
--------------------------	------------------------------	-----------------------------	-----------------	---------	-------	-------------------------	----------

SHORING (if applicable):	Underpinning:	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Estimated Price:	\$ _____
Performed By: _____					

PILE DRIVING (if applicable):	Estimated Price:	\$ _____	Pre-Inspection for existing damage:	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Performed By:		Seismographic Readings: Yes <input type="checkbox"/> No <input type="checkbox"/>			

DEMOLITION (if applicable):	Estimated Price:	\$ _____	Method of Demolition:		
Performed By: _____					
Type of Structure:	Height:	_____	<i>fee</i>	Stores which equals?	<i>feet</i>

WELDING (if applicable):	Fire Precautions:
---------------------------------	--------------------------



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ERECTION OF STRUCTURE:	Estimated Price: \$	Height: <i>feet</i>	Storeys which equals? <i>feet</i>
Performed By:			

PRECAUTIONS TAKEN:	To Prevent Injury to Public:		
	Underground: <i>feet</i>	Overhead Lines: <i>feet</i>	

IS PROJECT:	Attached to any existing structure? Yes <input type="checkbox"/> No <input type="checkbox"/>
	Within any existing complex, plant, etc.? Yes <input type="checkbox"/> No <input type="checkbox"/>

WHAT "OFF-SITE" WORKS INVOLVED?	Describe any works involving transmission lines, pipelines, access roads, railways, dams, bridges, tunnels, etc.
--	--

RELOCATION (if applicable):	Details of relocation of existing services (e.g. roads, railways, utilities, etc.)
Performed By:	

VOLUNTEERS (if applicable):	Liability coverage required? Yes <input type="checkbox"/> No <input type="checkbox"/>	No. of volunteers _____
Activities Description:		



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ADDITIONAL INFORMATION: <i>REQUIRED FIELD</i>	One Page Site Plan (all Projects)	Attached:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
	Soils Report (New Construction)	Attached:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

(Signature)

(Title)

(Date Signed)



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APPENDIX J
DRAFT EARLY WORKS AGREEMENT

The Draft Early Works Agreement is posted in the Data Room.



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APPENDIX K
BASE RATE(S) AND CREDIT SPREAD BENCHMARK SUBMISSION

At or before the Submission Time for Base Rate(s) and Credit Spread Benchmarks, Proponents should make a submission to the Authority that includes the following:

- (a) identification of each proposed Base Rate Benchmark, reinvestment rate and Credit Spread Benchmark to be used in their Financial Submission, as described in this Appendix;
- (b) confirmation of acceptance of the Mid-Market Rate(s) provided by the Authority as contemplated in (1) below as the basis for determining each Base Rate for its Financial Submission; and
- (c) confirmation that each Base Rate will exclude all margins and fees.

(1) Base Rate Benchmarks

Each Base Rate benchmark may be based on any one or a combination of the benchmark securities referred to below in (a) or in the case of swapped Base Rate(s), swap terms and maturities identified below in (b) (each, a “**Base Rate Benchmark**”).

- (a) One or a combination of the following Government of Canada benchmark securities may be used:
 - Government of Canada 0.75% May 1 2014 (2 year benchmark);
 - Government of Canada 1.00% February 1 2015 (3 year benchmark);
 - Government of Canada 3.00% December 1 2015 (4 year benchmark);
 - Government of Canada 1.50% March 1 2017 (5 year benchmark);
 - Government of Canada 4.25% June 1 2018 (7 year benchmark);
 - Government of Canada 2.75% June 1 2022 (10 year benchmark);
 - Government of Canada 5.75% June 1 2033 (20 year benchmark); and
 - Government of Canada 4.00% June 1 2041 (30 year benchmark).



To the extent that the benchmark securities switch to alternative Government of Canada securities between the issuance of this RFP and Financial Close, any Base Rate Benchmark based on the affected Government of Canada benchmark security will also switch to the new benchmark security.

To the extent the Government of Canada benchmark securities identified above are not suitable for the anticipated debt structure contemplated by a Proponent, the Proponent may suggest, before the Submission Time for Base Rate(s) and Credit Spread Benchmarks, an alternate security or securities for consideration by the Authority that would be suitable for its anticipated debt structure. In such instances, the Proponent should provide sufficient information to allow the Authority to confirm that the Government of Canada benchmark securities identified above are not suitable for the Proponent’s anticipated debt structure and that the alternate security or securities are suitable and possess similar characteristics in terms of information access, rating, duration, liquidity and amortisation as Government of Canada benchmark securities. Alternate security or securities may be accepted or rejected by the Authority in its discretion.

The Authority intends, one week prior to the Submission Time for Base Rate(s) and Credit Spread Benchmarks, to provide Proponents with the Mid-Market Rate for the above-mentioned Government of Canada benchmark securities.

- (b) For swapped Base Rate(s), the Proponent should provide the information contained in the table below and all other information requested by the Authority to confirm the Proponent’s calculated swap Base Rate. For greater clarity all rates will not include any Credit Spreads or swap margins.

Fixed leg payment frequency	Quarterly or Monthly
Floating leg basis	1-month or 3-month CDOR [(or CAD Libor)]
Floating rate spread	Flat
Floating rate reset frequency	Quarterly or Monthly
Notional Structure and Principal Profile	Quarterly or Monthly
Day Count Convention	Actual/365
Business Day Convention	Modified following Toronto business day or following business day

The Authority will, one week prior to the Submission Time for Base Rate(s) and Credit Spread Benchmarks, provide Proponents with the current rates for the benchmark securities set out in Section



1(a) of this Appendix, benchmark swap rates, the Futures prices and Basis Swap Curve with which Proponents must construct their swap term structure. These rates/prices will be updated periodically by the Authority (as described in section 4 below) and provided to Proponents to update their calculation of the swapped Base Rate(s). (Samples of these curves are available in the Data Room).

The Base Rate(s) should be priced at Mid-Market Rates excluding all margins and fees. For additional clarity, the Base Rate(s) should exclude any execution spread, liquidity spread, any swap spread or any other form of spread or margin.

The Authority will confirm the Proponent's Base Rate(s) as described in Section 5.6 of the RFP.

(2) Reinvestment Rate Benchmarks

If a Proponent's Financing Plan contains assumptions with respect to an interest income rate for a reinvestment product associated with any portion of a senior finance facility, then the information requested in this Section of this Appendix in relation to each Base Rate should also be provided by the Proponent for each interest income rate used to calculate the value of interest generated from the reinvestment product.

(3) Credit Spread Benchmarks

If a Proponent wishes to designate some or all of its lending facilities as Credit Spread Refresh Facilities, the Proponent should, at or before the Submission Time for Base Rate(s) and Credit Spread Benchmarks, submit to the Authority:

- (a) a proposed Credit Spread Benchmark, such Credit Spread Benchmark being a security (i.e., an index) or weighted "basket" of securities that the Proponent believes possesses similar credit characteristics as the facility for the Project in terms of rating, duration, size and currency and for which observable rates through publicly verifiable screen shots are available;
- (b) rationale for the suitability of the Credit Spread Benchmark including consideration for relevance, liquidity and diversification within the "basket";



- (c) information and documentation to support, and to enable a third party to verify, the calculation of the Credit Spread based on the proposed Credit Spread Benchmark and priced at the Mid-Market Rate at 09:00 Pacific Standard Time the day before the Submission Time for Base Rate(s) and Credit Spread Benchmarks, or at a time to be agreed with the Proponent, such information and documentation to include:
 - (1) details of how the Credit Spread was calculated and software applied;
 - (2) copies of the price quotes (using a Bloomberg screen shot or similar); and
 - (3) details of the pricing conventions inherent in the pricing;
- (d) a proposed formula describing how the Credit Spread on each Credit Spread Refresh Facility will move upwards or downwards with the movement in the Credit Spread Benchmark; and
- (e) a detailed protocol (the “**Credit Spread Refresh Protocol**”) for confirming the Credit Spread applicable to each Credit Spread Refresh Facility on the Credit Spread Refresh Lock-In Date (see Section 8.8).

(4) Base Rate(s), Credit Spread and Reinvestment Rate Benchmarks Pricing for Financial Submission

After the Authority has agreed in principle with the Proponents Base Rate(s) and Credit Spread Benchmark Submission, the Authority expects to receive the Base Rate(s) and Credit Spread Benchmark Submission for the Authority’s final approval. The intent of this final submission is that all benchmarks are priced using the pre-approved methodology at a common date and time to ensure that prices are comparable across Proposals. The entire process, including the process for final approval, is described below.

Time and Date (PST)	Action
Interim financial submission - at least 5 days prior to the	Each Proponent should submit with its interim financial submission a draft of its proposed Base Rate(s) Benchmark and Credit Spread

third Collaborative Meeting	Benchmark for discussion at the third Collaborative Meeting.
July 19, 2012 – one week prior to the Submission Time for Base Rate(s) and Credit Spread Benchmarks.	The Authority will, one week prior to the Submission Time for Base Rate(s) and Credit Spread Benchmarks, provide Proponents with current rates for the benchmark securities set out in Section 1(a) of this Appendix, benchmark swap rates, the Futures prices and Basis Swap Curve with which Proponents must construct their Base Rate Benchmark(s) and swap term structure if applicable.
July 26, 2012	Proponents submit their proposed Base Rate Benchmark(s) and Credit Spread Benchmark to the Authority. As described in Section 5.4 of this RFP the Authority will respond and the Proponent will, as necessary, resubmit until the Credit Spread Benchmark is acceptable. This acceptance needs to be achieved prior to the next step described below.
10:00 AM, August 28, 2012	Proponents will capture/determine the Mid-Market Rates on the benchmark securities that they have proposed to use in the Credit Spread Benchmark. The Authority will also capture/determine the Mid-Market Rates on the benchmark securities that Proponents have proposed to use in the Credit Spread Benchmark to ensure the pricing is consistent with the agreed upon approach.
10:00 AM, August 28, 2012	The Authority captures the Mid-Market Rates on the benchmark securities to be used in the Base Rate Benchmark(s) in the same format produced and provided to Proponents one week prior to the Submission Time for Base Rate(s) and Credit Spread Benchmark Submission Date.
Before 1:00 PM August 28, 2012	The Authority sends to Proponents the Mid-Market Rates, as at 10:00 AM, August 28, 2012, on the benchmark securities to be used in the Base Rate Benchmark(s) in the same format produced and provided one week prior to the Submission Time for Base Rate(s) and Credit Spread



	Benchmarks.
By August 29, 2012	Each Proponent sends their updated Base Rate Benchmark(s) and Credit Spread Benchmark submission to the Authority. The interest rates will be calculated based on the Mid-Market Rates captured at 10:00 AM on August 28, 2012 on the benchmark securities used in the Credit Spread Benchmark and the Authority provided Mid-Market Rates on the benchmark securities, benchmark swap rates, the Futures prices and Basis Swap Curve (as applicable) used in the Base Rate Benchmark(s).

The Authority will respond as required to the Proponent's updated Base Rate Benchmark(s) and Credit Spread Benchmark submission. Once accepted by the Authority, these will be the Base Rate Benchmark(s) and Credit Spread Benchmarks the Proponents will use in their Financial Submissions.



APPENDIX L
INITIAL DRAFT PROJECT AGREEMENT

The Initial Draft Project Agreement is posted in the Data Room.



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APPENDIX M
ATTACHMENT 1 – UPDATED SCOPE LADDER

	Summary Description	Changes to Performance Specifications
Tier 1		
(i)		<ul style="list-style-type: none"> Change all Category A furniture listed in Appendix 2E [Equipment and Furniture] to Category B.
Tier 2		
(i)	Delete requirement for new elevator in the Sunrise Hotel	<ul style="list-style-type: none"> Delete Section 7.1 from Appendix 3K [Sunrise Hotel Specifications] and replace with the following “In accordance with Section 6.14.1.1(2) of Schedule 3 [Design and Construction Specifications], Project Co will upgrade the existing elevator shaft in terms of fire separation FRR, compliant separation from the machine room and adjacent floor and attic spaces, electrical system capacity.”
(ii)	Reduce requirements related to light court cladding at Hazelwood and Sunrise Hotels	<ul style="list-style-type: none"> Delete Section 3.2.15 (Light Court/End Wall Cladding) of Attachment 1 to Appendix 3E [Hazelwood Hotel Heritage Conservation Plan] Delete Section 3.2.9 (Light Court and Light Well Rendering) of Attachment 1 to Appendix 3K [Sunrise Hotel Heritage Conservation Plan] and replace with the following: “Light court and light well rendering has reached the end of its service life and will be patched with a cementitious rendering matching the existing in texture, and all of the rendering will be prepared and painted with masonry paint.”
(iii)	Delete façade illumination	<ul style="list-style-type: none"> Delete Section 6.16.7.3(8)(a) of Schedule 3 [Design and Construction Specifications] Delete Section 6.16.7.2(3)(b) of Schedule 3 [Design and Construction Specifications]
(iv)	Delete requirements to re-instate	<ul style="list-style-type: none"> Delete Section 3.2.15 of Attachment 1 to Appendix 3B [Cordova Residence Heritage Conservation Plan] and replace with the following: “The existing skylight over the stairs will be retained and refurbished for an extended service life” Delete Section 3.2.16 of Attachment 1 to Appendix 3J [Rice Block Heritage



	existing skylights	<p>Conservation Plan] and replace with the following: “The skylight over the open stair is in good condition and appears to be functioning well”</p> <ul style="list-style-type: none"> • Delete Section 3.2.15 of Attachment 1 to Appendix 3K [Sunrise Hotel Heritage Conservation Plan].
(v)	Reduce number of janitor sinks in each building	<ul style="list-style-type: none"> • Delete Section 5.1.4.4(1) of Schedule 3 [Design and Construction Specifications] and replace with the following: “Provide one janitor closet on the main floor, and every other floor after that, including a mop sink, or as directed in the Building Specifications.”
(vi)	Delete requirement for corridor pressurization	<ul style="list-style-type: none"> • Delete Section 6.15.4.2(6) (Corridor Ventilation) of Schedule 3 [Design and Construction Specifications] and replace with the following: “Project Co will provide ventilation systems to office areas and amenity areas as per ASHRAE 62.1 – Ventilation for Acceptable Indoor Air Quality.”



(vii)	Deletion of high level face recognition cameras; lower specification cameras to be provided in lieu	<ul style="list-style-type: none"> • Delete Section 6.10.2.3 (Proximity Access Control technology) of Schedule 3 [Design and Construction Specification] and replace with the following: “Provide an appropriate level of access control for all doors.” • Delete Section 6.10.3 in its entirety and replace with the following: “Project Co will provide an access control solution for door control locking hardware.” • Delete Section 6.10.4.3 and replace with the following: “Provide High Resolution colour CCTV cameras no smaller than 1/3” imaging sensor, with image cropping, motion detection capabilities, low light sensitivity, day/night feature, wide dynamic range throughout the Building, including any elevator, parking lot, parkade and any exterior area under the direct control or ownership of the Authority.” • Delete Section 6.10.4.7 and replace with the following: “CCTV will be streamed back into a Digital Video Recording device.” • Delete Section 6.10.4.8 and replace with the following: “Provide a high quality Digital Video Recorder (DVR) or Network Digital Video Recorder (NDVR) capable of live viewing, storage, and play back of images from 1 to 32 CCTV cameras.” • Delete Section 6.10.4.9 and replace with the following: “The DVR / NDVR will:” • Delete Section 6.10.4.9(4) and replace with the following: “provide as a minimum recording of analogue or network IP based cameras at resolutions from CIF (352x240) to 10 Mega pixels (3648x2752) and utilize an advanced algorithm to reduce the image storage file size when written to disk;” • Delete Section 6.10.4.9(14) and replace with the following: provide all CCTV cameras, DVR / NDVRs, keyboards, mouse and LCD monitors, ethernet over coax converters, connections, cable/wire, mounting hardware, conduit, power supplies, ports, modules, relays, transformers, isolation transformers and battery backups required for the complete installation of the CCTV portion of the SMS.”
(viii)	Modify vandal resistance requirements in electrical specifications	<ul style="list-style-type: none"> • Delete Section 6.16.4.3(3) of Schedule 3 [Design and Construction Specifications] and replace with the following: “All conduits and receptacles will be installed concealed in slabs, ceiling space or partitions except in corridors, unfinished spaces or where permission is specifically obtained from the Authority for running on the surface. Where conduits are exposed, paint it to match the surrounding finishes” • Delete Section 6.16.4.3(8) of Schedule 3 [Design and Construction Specifications]. • Delete Section 6.16.7.3(3) of Schedule 3 [Design and Construction Specifications] and replace with “Crawl spaces and accessible attic spaces will be illuminated utilizing luminaires with mechanical protection of lamps.” • Delete references to “vandal resistant luminaire” from Attachment 2 [Room



		Data Sheets] to each of Appendices 3A – 3M and replace with “luminaire”.
(ix)	Reduced heritage requirements at Dominion Hotel	<ul style="list-style-type: none"> • Delete Section 3.1.1.4 of Appendix 3C [Dominion Hotel Specifications] and replace with the following: “Brace parapets and remediated cornice work as required” • Delete Section 3.2.3 (Sheet Metal) of Attachment 1 to Appendix 3C [Dominion Hotel Heritage Conservation Plan]. • Delete Section 6.1 (Masonry) of Attachment 1 to Appendix 3C [Dominion Hotel Heritage Conservation Plan] and replace with: “Masonry – the existing upper wall masonry on Water and Abbot Streets will be selectively repointed to address open and deteriorated mortar joints, and repainted to match the wall. The rear and side common brick masonry exterior wall will be repointed to restore the wall’s structural integrity. Deteriorated parged sills will be patch repaired.”
Tier 3		
(i)	Deletion of electronic locking system; use of standard key locks in lieu	<ul style="list-style-type: none"> • Delete Section 6.10.3.1(3) and replace with “will have the ability to control electronic locks, proximity readers, elevators, special devices, and additional alarm inputs and outputs”. • Delete Section 6.8.4.1(1) and replace with “All doors will have proximity access technology in accordance with Section 6.10.3 unless specified in the Building Specifications [Appendix 3A – 3M] Attachment 2 [Room Data Sheets]. • Delete references to “proximity access control technology door hardware” from Attachment 2 [Room Data Sheets] to each Building Specifications [Appendices 3A – 3M] and replace with "Provide a heavy duty keyway locking system with deadbolt, deadlatch or latchbolt lockset (Mortise or Cylinder) that meets or exceeds standards of BHMA/ANSI A156.2 Grade 1 and is UL listed for 3 hour fire labeled doors, with the exception of existing proximity access control doors which will be retained. All door locks to have masterkey protocol."
(ii)	Reduce kitchen requirements	<ul style="list-style-type: none"> • Delete Section 6.15.4.2(9) of Schedule 3 [Design and Construction Specifications]. • Delete Section 4.2.1.7 of Appendix 3A [Beacon Hotel Specifications] and replace with “rehabilitate the existing common kitchens, with the exception of the kitchen on the 3rd floor.” • Delete Section 4.2.1.1(1) of Appendix 3D [Gastown Hotel Specifications]. • Delete Section 4.3.1.1 of Appendix 3F [Marble Arch Hotel Specifications] and replace with the following: “rehabilitate the existing ground floor administration/day room to an amenity space, a secured nurse’s office and a reconfigured existing laundry and administration/office space.”



		<ul style="list-style-type: none"> • Delete Section 4.3.1.4 of Appendix 3F [Marble Arch Hotel Specifications]. • Delete Section 4.2.1.1 of Appendix 3H [Molson’s Bank Building Specifications]. • In each of the following documents: <ul style="list-style-type: none"> ○ Attachment 2 to Appendix 3A [Beacon Hotel Room Data Sheet]; ○ Attachment 2 to Appendix 3B [Cordova Residence Room Data Sheet]; ○ Attachment 2 to Appendix 3C [Dominion Hotel Room Data Sheet]; ○ Attachment 2 to Appendix 3D [Gastown Hotel Room Data Sheet]; ○ Attachment 2 to Appendix 3E [Hazelwood Hotel Room Data Sheet]; ○ Attachment 2 to Appendix 3F [Marble Arch Hotel Room Data Sheet]; ○ Attachment 2 to Appendix 3G [Marr Hotel Room Data Sheet]; ○ Attachment 2 to Appendix 3H [Molson’s Bank Room Data Sheet]; ○ Attachment 2 to Appendix 3K [Sunrise Hotel Room Data Sheet]; and ○ Attachment 2 to Appendix 3L [Tamura House Room Data Sheet], make the following changes: <ul style="list-style-type: none"> ○ delete the “Doors” Section in Division 08 (Openings) of the “Kitchen” or “Accessible Kitchen” Room Data Sheet (as applicable) and replace it with the following: "New pressed metal door, 20 min. FPR, in new metal buck or existing wood frame, made good"; and ○ in the “Door Hardware” Section in Division 08 (Openings) of the “Kitchen” or “Accessible Kitchen” Room Data Sheet (as applicable), delete “, 12”x12” wired glass lite” and replace it with the following: "and door peep-hole".
(iii)	Delete requirement to replace court yard and rear windows	<ul style="list-style-type: none"> • Delete the following Sections: <ul style="list-style-type: none"> ○ Section 3.2.6 of Attachment 1 to Appendix 3A [Beacon Heritage Conservation Plan]; ○ Section 3.2.6 of Attachment 1 to Appendix 3B [Cordova Residence Heritage Conservation Plan]; ○ Section 3.2.7 of Attachment 1 to Appendix 3B [Cordova Residence Heritage Conservation Plan]; ○ Section 3.2.7 of Attachment 1 to Appendix 3D [Gastown Hotel Heritage Conservation Plan]; ○ Section 3.2.8 of Attachment 1 to Appendix 3D [Gastown Hotel Heritage Conservation Plan]; ○ Section 3.2.6 of Attachment 1 to Appendix 3E [Hazelwood Hotel



		<p>Heritage Conservation Plan];</p> <ul style="list-style-type: none"> ○ Section 3.2.7 of Attachment 1 to Appendix 3E [Hazelwood Hotel Heritage Conservation Plan]; ○ Section 3.2.7 of Attachment 1 to Appendix 3F [Marble Arch Hotel Heritage Conservation Plan]; ○ Section 3.2.8 of Attachment 1 to Appendix 3H [Molson’s Bank Building Heritage Conservation Plan]; ○ Section 3.2.7 of Attachment 1 to Appendix 3I [Orange Hall Heritage Conservation Plan]; ○ Section 3.2.6 of Attachment 1 to Appendix 3J [Rice Block Heritage Conservation Plan]; ○ Section 3.2.7 of Attachment 1 to Appendix 3J [Rice Block Heritage Conservation Plan]; ○ Section 3.2.6 of Attachment 1 to Appendix 3K [Sunrise Hotel Heritage Conservation Plan]; and ○ Section 3.2.7 of Attachment 1 to Appendix 3K [Sunrise Hotel Heritage Conservation Plan]; ○ Section 3.2.6 of Attachment 1 to Appendix 3L [Tamura House Heritage Conservation Plan]. ○ Section 3.2.7 of Attachment 1 to Appendix 3L [Tamura House Heritage Conservation Plan]; and ○ Section 3.2.7 of Attachment 1 to Appendix 3M [Washington Hotel Heritage Conservation Plan].
(iv)	Delete Bed Bug Treatment Rooms	<ul style="list-style-type: none"> • Delete Section 5.1.4.5 (Bed Bug Treatment Rooms) from Schedule 3 [Design and Construction Specifications].
(v)	Deletion of requirements for additional washroom/ shower facilities	<ul style="list-style-type: none"> • Delete the following Sections: <ul style="list-style-type: none"> ○ Section 4.2.1.3 of Appendix 3B [Cordova Residence Specifications]; ○ Section 4.3.1.5 of Appendix 3E [Hazelwood Hotel Specifications]; ○ Section 4.2.1.3 of Appendix 3H [Molson’s Bank Building Specifications]; ○ Section 4.2.1.2 of Appendix 3J [Rice Block Specifications]; ○ Section 4.3.1.5 of Appendix 3K [Sunrise Hotel Specifications]; and ○ Section 4.3.1.3 of Appendix 3M [Washington Hotel Specifications].





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