



CBRE Limited
10180 101 Street
Suite 1220
Edmonton, AB T5J 3S4

780 424 5475 Tel
780 426 1995 Fax

www.cbre.com

March 23, 2018

Mr. _____, Title

**RE: Request for Proposal for Edmonton Economic Development Corporation (EEDC)
Innovation and Tech Hub:**

Dear:

CBRE has been authorized to exclusively represent EEDC in its search and negotiations for its Innovation and Tech Hub in downtown Edmonton. We would appreciate your most competitive response to this Request for Proposal.

To ensure that your property receives a comprehensive evaluation as a candidate for this requirement, please ensure that the items listed in the attached Request for Proposal are thoroughly addressed preferably in the order outlined below.

Kindly submit your response no later than two weeks from the date of receipt of this RFP. If you have questions, please to call either of the undersigned.

Sincerely,

CBRE Limited

Al Menon, Senior Vice President
Office Leasing and Sales
CBRE Office Team

Mark Anderson, Associate Vice President
Office Leasing and Sales
CBRE Office Team

Request for Proposal

BUILDING:

TENANT:

Edmonton Economic Development Corporation (EEDC)

**BUILDING OWNERSHIP/
LANDLORD/MANAGEMENT:**

Please identify building ownership/landlord entity and address, as well as the property manager for the project.

USE:

Tenant shall be permitted to use and occupy the Premises for any legally permissible use.

LEASE COMMENCEMENT:

The current projected occupancy date for the tenant to begin fixturing will be Q4 2018/Q1 2019. Please confirm that this timing works.

INNOVATION AND TECH HUB:

The Tenant's mandate is to secure leased space within the core area of the downtown Innovation District to act both as a hub and a magnet; laying the foundation to create a critical mass of growing innovation and technology companies. This central location will bring together entrepreneurs and business experts within an environment designed specifically for tech company creation and growth. This new hub would provide direct access to corporate clients, business networks, mentors, members of the post-secondary community and entrepreneur service providers.

This hub would be more than a building; it would be a catalyst for fostering growth and innovation, and a focal point for creating community and connections in Canada.

In order to align long-term interests, the Tenant's aim is to create a partnership agreement with the Landlord that goes beyond a transactional landlord/tenant relationship: Edmonton gets a showcase innovation hub and the Landlord gets a large tenant with significant induced neighbouring occupancy potential. With a partnership established, both sides can build out the vision together and with combined resources.

SPACE REQUIREMENT:

The Tenant's current requirement is for approximately 40,000 to 60,000 useable square feet with a potential need for expansion of an additional 20,000 square feet within 3 years.

Area One: Literal and metaphorical "reception desk" for Edmonton's innovation ecosystem. Centered around a

“landmark”, theatre-style presentation and showcase area; reaching out into the street with massive media screens to allow for activation and promotion of the space beyond the building walls; and incorporating co-working spaces, meeting areas and networking spaces for meet-ups, seminars, hackathons and other public events. Serves as magnet for people and companies and is the answer to the question: “Where do I go and where do I send people in Edmonton to access the tech community?”.

Area Two: The operational space for EEDC and Scaleup programs and staff. It would include classroom(s), meeting rooms, flexible/expandable/contractible offices, open workspaces, and shared services, meeting rooms and hang-out areas (similar to Startup Edmonton today). It would accommodate partners and business accelerators.

Area Three: Company and Accelerator Spaces (corporate labs, flexible size and variable term office space, etc.); built out to a tenant’s specifications or pre-built to target strategic opportunities and sublet on supportive terms. Space can also be used as a tool for economic development. For example, include a pre-built turn-key accelerator space (10 lockable offices; social areas; meeting rooms; presentation spaces) to attract growth or attraction opportunities. This space will also include kitchen area and social areas.

Please provide the total useable and rentable areas available for each of the three defined areas, as well as those which may be available for future expansion.

LEASE TERM: 10 years

BASE RENT: Please indicate the location and Base Rent payable throughout the Lease Term for each subject area Contemplated opportunities for partnership or non-traditional lease arrangement for any, or all, of these areas (with consideration for tenant improvements) are encouraged. Please outline any potential arrangements in detail (suggested & not binding)

**OPERATING EXPENSES/
REAL ESTATE TAXES:** Please indicate your budgeted operating expenses and real estate taxes for 2018. Please provide a line-item breakdown of all projected expenses.

AMENITIES: Please identify any existing or planned Landlord-funded improvements for amenities and public spaces. Amenities should include bike parking; shower/change rooms; access to

space for fitness areas and daycare; food & beverage operations, high speed connectivity and others that appeal to innovation-focused companies and employees.

ASSIGNMENT/SUBLEASE:

The Tenant shall have the right to enter into licensing/sublease agreements with the companies that are using the Premises as an incubator without obtaining the consent of the Landlord.

The Tenant shall also have the right, without Landlord's approval, to assign or sublease all or any part of the Premises to any parent, subsidiary, affiliated company or entity (Affiliate). The Landlord agrees that the Premises may be occupied by one or more Affiliates pursuant to occupancy agreement(s) between the Tenant and such Affiliate.

SPACE PLANNING:

Please confirm that you are willing to have a space plan completed for the Tenant at your expense as part of your submission.

SIGNAGE:

Please indicate the nature of the on-Building and on-site signage that will be available to the Tenant and include renderings or photos of their location, if possible.

FIXTURING:

The Tenant will require a minimum of 6 months to fixture the premises prior to moving in. This fixturing period should be free of base rent and all operating expenses and real estate taxes.

LANDLORD'S WORK:

Please confirm that, if requested, the Landlord will bring the premises to a warm-shell condition, as a part of the Landlord's work. This work shall include, but not be limited to:

- a) Remove all existing improvements in the Premises.
- b) Install Building-standard lighting throughout the Premises, or provide an allowance in lieu of.
- c) Install Building-standard T-bar ceiling grid throughout the Premises, and stack new ceiling tiles on the floor of the Premises, or provide an allowance in lieu of.
- d) Ensure that Building-standard power, water and gas and HVAC services are available in the Premises, ready for Tenant hook-up and distribution.
- e) Ensure that all asbestos and other potential environmental hazards are removed from the Premises.

TENANT IMPROVEMENTS/ALLOWANCE:

The Tenant is seeking an improvement allowance of no less than \$100.00 per square foot of Rentable Area.

- NO RESTORATION:** Tenant shall have no obligation to remove any tenant improvements initially constructed or any subsequent alterations (including Tenant's signage) at the end of the Lease Term and any renewals thereof.
- RENEWAL OPTIONS:** The Tenant would like two (2) options to renew the lease on all or a portion of the space then under lease for five (5) years each at 95% of the then fair market rental rate. Such fair market rental rate shall take into account (i) the use, quality, and age of the Building, the level of leasehold improvements, the amount of applicable operating expenses charged in connection with the space; (ii) the level of leasehold improvements and improvement allowances; (iii) the value of rent concessions, and (iv) any other relevant and generally applicable considerations affecting the proper determination of rent due.
- RIGHT OF FIRST REFUSAL:** Please identify any space in the building on which EEDC will receive rights of first refusal, and please indicate the terms thereof.
- TENANT ACCESS:** EEDC shall have access to the building and Premises 24 hours per day, seven days per week, 365 days per year. Please indicate building access and confirm that there will be no additional charge for the after-hours HVAC service.
- PUBLIC ACCESS:** Due to the nature of the use and the presence of significant public space within the Premises, the Tenant requires that access to the Building extend beyond typical business hours. Please indicate how you are able to accommodate this request, as well as the nature of the Building's security.
- ALTERATIONS:** The Tenant shall have the right to perform or cause to be performed any alterations in the Premises without Landlord's consent if such work does not materially affect the building structure or common areas. In no event will the Tenant be responsible to Landlord for any fees for supervision and/or coordination of said alterations.
- PARKING:** Please indicate how many parking spaces will be made available to the Tenant during the Term, and at what cost.
- SECURITY DEPOSIT/
PRE-PAID RENT:** Please confirm that EEDC shall not be required to provide Landlord with any security deposit or pre-paid rent.
- OVERHOLDING:** At the end of the initial Term, EEDC shall have the right to overhold without the consent of Landlord on a month to month



basis. Base rent for any overholding period shall not exceed the last month's base rent for the first six (6) months of the holdover period. Thereafter, holdover rent shall not exceed 125% of the base rent in effect during the immediately preceding term.

NON-DISTURBANCE AGREEMENT:

Landlord shall provide EEDC with an acceptable non-disturbance agreement from all superior right holders of the Building(s) and/or land prior to lease execution.

LEASING COMMISSION:

Landlord shall pay CBRE Limited a leasing commission in accordance with a separate written agreement.

LEASE FORM:

Please provide a Word version copy of your standard lease form with your submission.

QUESTIONS:

Please direct all questions regarding this RFP to:

Mr. Al Menon
al.menon@cbre.com
780-917-4638

Mr. Mark Anderson
mark.anderson2@cbre.com
780-229-4652