Date Issued: February 27, 2018

City of Hamilton

REQUEST FOR PROPOSALS

Contract Number: C11-66-17

Request for Proposals
Pier 8 Development Opportunity

ADDENDUM 14

The following queries and responses, issued by the Procurement Section shall form part of the Request for Proposals documents for the above, and the revisions and additions noted herein and any attachments shall read in conjunction with all other documents. This Addendum shall, however, take precedence over all previously issued Request for Proposals documents where differences occur.

Included in this Addendum are: 5 Pages for Addendum 14

1.0 CORRECTION TO CITY RESPONSE #36

DELETE: References to “Subsection 2.2.1.1(2)"
REPLACE WITH: “Subsection 2.1.1.1(2)” (emphasis added to highlight change)

The remainder of City Response #36 shall remain unchanged.

2.0 CORRECTION TO CITY RESPONSE #66

DELETE: The first sentence, “For further clarity, this guideline only applies to Blocks 3 and 8 as they are the only blocks with water- and park-facing frontages that are not separated by a public roadway.”

REPLACE WITH: “For further clarity, this guideline only applies to Blocks 3 and 6 as they are the only blocks with water- and park-facing frontages that are not separated by a public roadway.” (emphasis added to highlight change)

The remainder of City Response #66 shall remain unchanged.
3.0 QUESTIONS AND RESPONSES

<table>
<thead>
<tr>
<th>Question #171</th>
<th>Does the City have any preference with respect to the uses for Block 16 (Institutional)?</th>
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<tbody>
<tr>
<td>City Response #171</td>
<td>The City does not have a specified preference with respect to prospective uses for the Institutional Block 16. However, Proponents are advised to review the evaluation criteria related to Place-making that outlines how the uses within the Institutional Block may be considered in the assessment of benefits for the City.</td>
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<tr>
<th>Question #172</th>
<th>Would the City consider holding a Round 3 of CCMs following the Technical Proposal Closing Time but before the Financial Proposal Closing Time?</th>
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<tbody>
<tr>
<td>City Response #172</td>
<td>The City is currently taking this suggestion under consideration and will advise of specific details at a later date if it agrees.</td>
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<tr>
<th>Question #173</th>
<th>Given the anticipated new “Block 15”, will there be any flexibility with the road network?</th>
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<tr>
<td>City Response #173</td>
<td>Notwithstanding the creation of a new Block 15 as contemplated in this Addendum 14, Item 1.0, for the purposes of this RFP, please assume that the road network will not change from the configuration as currently indicated in the Draft Plan of Subdivision and that the roads will already be in place by the time the Successful Proponent is ready to draw down the first Block.</td>
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<tr>
<th>Question #174</th>
<th>Please indicate any restrictions to any of the blocks in terms of existing leases, easements, encroachments, etc., that will affect phasing or construction timing</th>
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| City Response #174 | As previously advised, the City is preparing an application to the local Land Registry Office (LRO) to convert the title for the Subject Lands to Absolute Title Plus (LT+). The title searches associated with that process have revealed a number of registered interests in the Subject Lands including:  
1. leases, a mortgage, a debenture, a notice of trust indenture and a 1981 mechanics lien associated with the Macassa Bay and Royal Hamilton Yacht Clubs to the west;  
2. a framework agreement with the federal government; and  
3. a transfer easement with the Canadian National Railway Company.  
While acknowledging that the City doesn’t have the details of any forthcoming development proposal, it does not appear that any of... |
these interests would impact either phasing or construction timing.

For the purposes of this RFP, Proponents should assume that:

1. by the date that the Successful Proponent assumes title to the first Block, the Hamilton Waterfront Trust’s sub-lease over parts of Blocks 1, 4, 15, 16 and 17 will no longer constitute an encumbrance on the Subject Lands;

2. Brewer’s Marine Limited’s lease over most of Block 7 (sketch is available by contacting the City’s Contact Person) will not expire until November 22, 2025;

3. Sun-Canadian Pipeline Company Limited (SCPL) enjoys an Easement Agreement dated October 1, 2014 (see copy posted in the Electronic Data Room) over parts of Blocks 7, 8, 11 and 15 related to an active underground pipeline that transports liquid hydrocarbons and related products. Generally speaking, the pipeline comes on-shore at the north-west tip of Pier 8 (i.e. Block 15) and follows the Waterfront Trail south to the water’s edge, turns east to Discovery Drive where it tracks southwards briefly before turning eastward again at the midpoint of Block 7’s western boundary and loops behind the Brewer’s Marine Limited’s building to exit Block 7 approximately where John Street and Guise Street intersect before continuing eastward along Guise Street.

   In 2017, SCPL re-routed its pipeline such that instead of turning east to intersect through Block 7, it continues southward up Discovery Drive before turning and continuing eastward at Guise Street.

   In summary, by the date that the Successful Proponent assumes title to the first Block, the City intends that SCPL’s Easement will be restricted to public right of ways (mainly Discovery Drive and Guise Street) on the Subject Lands although, in addition to the still active SCPL pipeline, an abandoned and decommissioned portion of the pipeline will be located underground from the point where it turns east along the northern edge of Block 7 and loops around Brewer’s building to the John/Guise Street intersection; and

4. Imperial Oil Enterprises Ltd. also has three easement agreements on the Subject Lands related to a now abandoned and decommissioned pipeline which follows the same route as the original SCPL pipeline/easement (i.e., through Block 7) except that, after turning eastward at Discovery Drive to loop around to the north of Brewer’s
building, it continues further east than the SCPL pipeline/easement before rejoining Guise Street slightly to the east of the John/Guise Street intersection (at the western edge of Block 8) before continuing eastward along Guise Street. The City is taking steps to remove these easement interests from title by the time the Successful Proponent assumes title to the first Block but, as mentioned, there remains an abandoned and decommissioned pipeline along the entire length of this easement; and

5. To the best of the City’s knowledge, there are no other leases, easements, encroachments, etc. that will affect phasing or construction timing.

Question #175
What is the nature of the easements across Blocks 8, 7, 11 and 15? Does the easement extend to above and below surface?

City Response #175
See City Response #174

Question #176
In section 2.1.3.1. part 2 we are asked for a lender’s letter for phase 1. We previously provided this as part of the RFQ, do we need to resubmitted it and/or update the date?

City Response #176
Proponents are reminded that the lender letter requirement at the RFQ stage was on the basis of a standardized set of assumed parameters for a first phase of development, as dictated by the City. This RFP submission requirement in subsection 2.1.3.1 assumes that proposed development programs are now individualized such that each Proponent’s parameters for a first phase will not only be different from each other, but will likely be materially different from the parameters upon which the RFQ lender letter was procured. Therefore, the requirement for a lender’s letter as specified in subsection 2.1.3.1 is a new requirement.

The intent of this letter is to provide the City a degree of comfort that each Proponent’s financial partners also endorse the feasibility of their specific proposed program. It is the expectation that each Proponent will disclose sufficient information from their Technical Proposal to their lenders in order to receive a letter indicating support in-principle of their specified first phase. The City’s evaluators will be assessing the degree of commitment intimated by the letters. As such, Proponents and their lenders are encouraged to include in their letter, as much detail as possible indicating that the lender has reviewed and agrees with the configuration, timing, and financial projections of the proposed first phase. The City understands that the lender may require inclusion of conditional provisions to the letter. However, please be aware that the degree of
conditionality may be a consideration in assessing the degree of commitment.

Please note that the submission date of the lender’s letter has been changed to coincide with the Financial Proposal Closing Time.

**Note:** The final date to submit questions with respect to the Technical Proposals has passed. The City Responses provided in this Addendum 14 are the final responses that the City will issue with respect to Technical Proposal questions. Proponents may continue to submit questions with respect to the Financial Proposal, Public Presentation Materials, and Development Agreement, which will similarly be answered by written addendum.

END OF ADDENDUM 14

Proponents providing a signed Form of Proposal have made any necessary inquiries with respect to addenda issued by the City and have provided for all addenda in their Proposal submission.

All addenda will be posted on the City’s bid portal at: hamilton.bidsandtenders.ca and at www.hamilton.ca/westharbour

Procurement Section, City of Hamilton, Ontario