

APPLICATION GUIDE

OPPPORTUNITY TO LEASE
NORTHLAND SEAFOODS FACILITY



Deadline for Proposal Submissions:
January 15th, 2021

APPLICATION GUIDE FOR NORTHLAND SEAFOODS FACILITY

1. INTRODUCTION

The Prince Rupert Port Authority (PRPA) is soliciting proposals (Proposals) from current and prospective businesses (Applicant/s) interested in an opportunity to lease the Northland Seafoods Facility located at 245 Cow Bay Road, Prince Rupert, BC, V8J 1A5 (the Facility).

For more information about PRPA, its mandate, mission and management structure, please see Appendix “A” or www.rupertport.com.

2. HOW TO APPLY

Please prepare a Proposal complete with the information described in the Proposal Criteria for the Facility found in Appendix “B” and in accordance with the terms outlined in this Guide.

For communication, including any requests for clarification with respect to this Guide, the Proposal, or to request a tour of the Facility, please contact the Real Property Coordinator at: property@rupertport.com

The deadline for submission of Proposals is **January 15th, 2021**.

3. THE FACILITY AND THE OBJECTIVE

The Facility is located in the bustling waterfront neighborhood of Cow Bay near downtown Prince Rupert. The mixed-use commercial, recreational and light industrial working waterfront area is a cornerstone of the community, visitors, and the marine sector alike. Continuous improvements to the Cow Bay area have been made by PRPA including the addition of the Cow Bay Promenade, development of the Northland Cruise Terminal, upgrades to the Atlin Terminal parking lot and surrounding landscaping, and providing expertise and financial support for the development of the Cow Bay Marina and public breakwater.

PRPA's objective is to facilitate the continued operation and modernization of the Facility while also improving the Facility's compatibility and interface with the public. While retaining the industrial character of Cow Bay, PRPA wants to encourage interactions between the working waterfront, the adjacent businesses and neighbourhoods, and the pedestrian traffic in the area.

PRPA envisions the Facility being used to offload local seafood in support of the ongoing needs of the fishing industry for offloading capacity, while also being complementary to the Cow Bay area by providing opportunities for locals and visitors to enjoy the area, purchase local seafood and observe the working waterfront. Operations at the Facility might include seafood transloading, seafood processing, retail seafood market, and/or food services.

For an aerial image and details about the lease area of the Facility, please see Appendix “C”.

4. EVALUATION CRITERIA

- a) Applicants will be assessed based on the following criteria which should form the basis of the Proposals:
 - Business Concept – Concept is aligned with waterfront development vision and community engagement goals.
 - Renovation, Repair & Maintenance Plan - Commitment towards investment in the physical restoration and design of the Facility and its ongoing maintenance and repair.

- Experience and Caliber of Operator – Demonstrate a robust positive track record in this type of operation.
 - Financial Health – Demonstrate financial capacity required to restore, operate and maintain the Facility and the business.
 - Business Plan - Includes vision for business growth and diversification, strengths or unique value proposition.
 - Proposal - Completeness of the proposal, demonstrating understanding of the requirements.
- b) Additional information may be requested by PRPA as evidence of experience, concept, resources and/or financial capacity.

5. SUMMARY OF KEY LEASE PROVISIONS

The following summary of the key lease terms are provided for general information purposes only and are subject to change at PRPA's discretion or during lease negotiations.

a) **TERM**

- Typical commercial lease terms are 5-years with a potential option to renew for one additional 5-year term.
- PRPA may at its discretion negotiate longer terms taking into consideration the value of the capital improvements.
- The rights and obligations in the Lease may not be transferred, assigned or subleased by the lessee, whether all or any part, without the prior written consent of PRPA.

b) **LEASE RATE, TAXES AND UTILITIES**

- Utilities currently available onsite are water, electricity, sewer, and natural gas. Certain businesses may require installation of additional services which will be at the lessee's sole cost and expense to have installed.
- Municipal taxes and other applicable taxes as required will be the responsibility of the lessee from the time of occupancy.
- Costs such as waste removal, snow removal and other third-party services will be the responsibility of the lessee.
- Lease rates are calculated on a per square footage rate and will be determined based on local fair market value, recognizing other factors such as leasehold improvements required.

c) **INSURANCE**

As a condition of the lease, the lessee must provide proof of insurance to the satisfaction of PRPA which meets the minimum requirements described in the lease. Minimum insurance requirements will include:

- Comprehensive liability insurance of not less than \$3 million;
- Automobile insurance of not less than \$3 million;
- Construction insurance of not less than \$3 million;
- All-risk property insurance;
- Machinery insurance;
- Business interruption insurance; and
- All with a deductible of not more than \$10,000.

d) **REPAIRS, MAINTENANCE AND INSPECTIONS**

Safety, maintenance and repair are important to PRPA. The Facility is currently in a poor state of repair and will need to be brought up to safe operating standards before commencement of any operation. Below is a non-exhaustive list of the repair, maintenance, and inspection requirements that any future lessee will be required to undertake under the term of their lease.

General

- i. All repairs, maintenance and inspections must be performed by a designated trades person and/or engineer as required.
- ii. Any construction, repair and replacement plans shall be submitted to PRPA in advance and any work under such plans shall not proceed without the prior written consent of PRPA.
- iii. When plans and specifications require the services of an engineer or architect, such will be obtained at the sole cost and expense of the lessee.
- iv. All improvements, installations and/or construction will be done at the lessee's expense.
- v. All improvements, installations and/or construction must be done in strict accordance with all applicable laws, codes, rules, and regulations, including without limitation any rules and regulations imposed by PRPA.

Renovations and Repairs

PRPA has engaged independent engineers to prepare a code compliance report and a timber structure and foundation report (the Reports) of the Facility.

The lessee will be required to undertake the following:

- i. Effect the necessary repairs on the Facility and all improvements in accordance with the Reports.
- ii. Commission a follow-up report prepared by a qualified engineer verifying that the repairs and deficiencies have been completed and that the Facility is safe for operation.
- iii. Understanding the costs of the repairs and renovation required to the Facility, PRPA will consider a multi-year phased construction. A detailed timeline of the repair plan must be prepared and approved prior to the parties entering into a lease. Prior to any operation, the Facility must be deemed to be in safe operating condition as determined by a qualified engineer.

Maintenance

During the term of the lease, the lessee will:

- i. Keep the Facility, including the timber structure and foundation, in good order and repair at its own cost and expense.
- ii. Repair, maintain and keep in good order and repair all fixtures, installations and equipment, including floors, exterior and interior doors, windows, lighting, heating, plumbing, security systems, etc.
- iii. Cause to be inspected every 3 years any unwrapped wood as per the American Society of Civil Engineer (ASCE) manual. This inspection shall include inspection of the condition of the underwater infrastructure as it relates to the condition of the substructure (piles, bracing). The inspection will be comprehensive such that it includes three levels of effort, as per the ASCE manual:
 - Level 1 - 100% visual or tactile
 - Level 2 – 10% partial marine growth removal of a statistically representative sample
 - Level 3 – 5% nondestructive testing or partially destructive testing of a statistically representative sample. In accordance with the timber structure and foundation report, repair or replace the portion of the structure and foundation that are indicated in the report as posing a safety concern to continued safe operations

e) DESIGN AND FINISHES

- Exterior designs and signage should take into consideration the City of Prince Rupert's Cow Bay Development Design Guidelines.
- Finishing plans must be submitted to PRPA for approval prior to construction.

f) PARKING

- One (1) parking spot with room for a trailer is available at the Facility.
- Pedestrian walkway must remain clear for public pedestrian traffic at all times.

6. TERMS AND CONDITIONS OF GUIDE AND PROPOSAL APPLICATIONS

a) GENERAL

- i. PRPA reserves the right to select the Applicant it deems most amenable for the Facility. PRPA is not bound to justify its decision with respect to the selection or rejection of any Proposal.
- ii. Applicants are not entitled to claim against PRPA or its directors, officers or employees for alleged lack of information or instructions to support or justify its Proposal or to avoid any obligation, condition, or specification contained in the Guide.
- iii. All expenses incurred by the Applicant in connection with the preparation or submission of its Proposal are the responsibility of the Applicant. This applies whether the Applicant's Proposal is rejected or accepted.
- iv. PRPA reserves the right to amend this Guide as required in its sole discretion, including without limitation, the evaluation criteria.
- v. Applicants acknowledge and accept that they can neither challenge in any way whatsoever PRPA's decision to accept or reject any Proposal, nor request any compensation or claim damages as a result thereof.

b) ELIGIBILITY

Applicants must comply with the following obligations:

- i. Applicants must be legally entitled to work in Canada;
- ii. Applicants must complete a criminal record search;
- iii. Applicants must have or will obtain a valid City of Prince Rupert business licence; and
- iv. Applicants must have or be able to obtain all applicable permits for proposed activities.

c) CONFIDENTIALITY

- i. The contents of each Proposal will be maintained as confidential by PRPA and will be used only for the purpose of evaluating the Applicants for potential tenancy of the Facility.
- ii. Applicants shall not issue any publicity or news release pertaining to this Guide, their Proposal, or any selection, or contract, without obtaining the prior written approval of PRPA.
- iii. Should Applicants wish to review any applicable condition assessment reports prepared for PRPA with respect to the Facility, such Applicants must enter into a non-disclosure agreement with PRPA.

d) SUCCESSFUL APPLICANT

- i. Selection of a preferred Applicant does not guarantee a lease with PRPA.
- ii. The preferred Applicant must be prepared to enter into a lease agreement with PRPA on terms and conditions acceptable to PRPA. For greater certainty, no Applicant will acquire any legal or equitable rights or privileges until the Applicant and PRPA have both executed a written lease, if and when that occurs.

APPENDIX "A"

ABOUT THE PRINCE RUPERT PORT AUTHORITY

The Prince Rupert Port Authority is a federal Canadian port authority established pursuant to the *Canada Marine Act* ("CMA") and its Letters Patent, which were issued by the Minister of Transport on May 1, 1999, outlining PRPA's permitted activities and powers. Although the Federal Crown retains ownership of federal real property, it is PRPA's role to administer and develop such real property for the purposes of economic benefit at regional, provincial and national levels.

PRPA is a federal agency and incorporated entity without share capital, which operates, manages and promotes the Port of Prince Rupert. PRPA is structured and operated in a manner similar to most commercial enterprises. It is governed by a Board of Directors comprised of up to four (4) individuals nominated by the Minister of Transport in consultation with port users and appointed by the Governor in Council, one (1) individual nominated by the Minister of Transport and appointed by the Governor in Council, one (1) individual appointed by the Province of British Columbia and, one (1) individual appointed by the City of Prince Rupert and District of Port Edward. PRPA employs a President and CEO and a complement of management and support staff, all located in Prince Rupert.

It is the mission of PRPA to develop and grow the Port of Prince Rupert in an economical, safe and environmentally sound manner.

APPENDIX “B”

PROPOSAL CRITERIA FOR NORTHLAND SEAFOODS FACILITY

The Prince Rupert Port Authority (PRPA) is soliciting submissions from Applicants interested in an opportunity to lease the Northland Seafoods Facility located at 245 Cow Bay Road, Prince Rupert, BC.

The required information to be submitted by Applicants to PRPA is listed below and all Proposals must be completed in accordance with specifications outlined herein and to the best of the Applicants' ability.

Proposals and supporting documents can be delivered:

Electronically via email to:

property@rupertport.com

or

In Hard copy to:

Prince Rupert Port Authority
Attn: Real Property Coordinator
200 – 215 Cow Bay Road,
Prince Rupert, BC V8J 1A2

PROPOSAL CONTENT

Part 1 – Applicant Contact and Business Information

Contact information:

- Business Operating Name
- BC Business Incorporation Number
- Applicant Name
- Position/Title
- Email Address
- Mailing Address
- Phone Numbers
- Website

Part 2 – Business Concept

- Describe business concept
- Describe proposed operation and services
- Describe planned neighbourhood / community engagement feature(s)
- Show how your business concept aligns with PRPA's vision of the area and Facility
- Include any supporting documentation you feel supports your application

Part 3 – Renovation, Repair and Maintenance Plans

- Describe the proposed physical design and initial repair plan for the Facility
- Indicate your approach to future upkeep and maintenance, including annual maintenance plan
- Include any repair plans, sketches/drawings, photos, design concepts, layout plans, or other information you feel supports your application

Part 4 – Experience and Caliber of Operator

- Describe your experience and track record in this type of business, including if applicable the business name, address and products and/or services provided
- Tell us what you perceive to be your strengths, and what attributes you would bring as an operator of the Facility
- If you intend to partner with another business or organization, please provide details of their experience or expertise in the industry
- References - Provide the names, contact information and the nature of the relationship between you and the persons of reference

Part 5 – Financial Health

- Provide general information about your financial strength and record
- You may provide financial references if you would like such as a letter of credit from a financial institute, account statement from financial institution, small business banking advisor statement etc., which will be maintained in strict confidence

Part 6 – Business Plan

- Provide a detailed business plan including the anticipated gross annual income and net operating income for the business at the Facility
- Describe any plans for growth and diversification of the business

By accepting this Application, PRPA does not undertake to lease the Facility, enter into a relationship or contract, or have any duty or liability to the Applicant. All information submitted to PRPA by the Applicant, including their Proposal and any supplementary information, shall become the property of PRPA unless clearly specified otherwise in writing by the Applicant.

APPENDIX "C"

NORTHLAND SEAFOOD FACILITY SPECIFICATIONS

Property Type: Waterfront, light-industrial
Address: 245 Cow Bay Road, Prince Rupert, V8J 1A5

Approximate Lease Area:	Area	Dimensions
Total:	0.109 Ha	31 m x 35.4 m
Waterlot:	0.027 Ha	8.8 m x 30.8 m
Dock & Building:	0.082 Ha	26.52 m x 31.03 m
Building Footprint:	4,844 sq.ft.	29.3 m x 15.2 m
Building Height:		Between 4.17 m to 6.84 m

Building Type: Pre-engineered steel frame and metal cladding roof

Utilities: Hydro, natural gas, water, sewer

Electrical Service: Wye, 347/600V, three phase, four wire 120/208V; two 600:277/480V transformers, which provide electrical service for some equipment which operates at three phase 480V.

Elements Included: Tide gauge, two cranes

2020 Property Taxes: \$4,650

PROPOSED LEASE AREA SHOWN BELOW IN RED

