

REQUEST FOR PROPOSAL
(Supporting documents not included)

BACKGROUND

The State of California, Department of General Services (DGS) on behalf of the California Institute for Regenerative Medicine (CIRM), is submitting Requests for Proposals (RFP) for office space from city/county/governmental entity/building owners in the State of California.

The Institute was established in 2004 with the passage of Proposition 71, the California Stem Cell Research and Cures Initiative. The statewide ballot measure, which provided \$3 billion in funding for stem cell research at California universities and research institutions, was overwhelmingly approved by California voters, and called for the establishment of an entity to make grants and provide loans for stem cell research, research facilities and other vital research opportunities.

The proposed facility is intended to be an administrative office for the stem cell research group.

PROJECT DESCRIPTION

The State is requesting Cities, Counties or other Governmental Entities (GE) to submit proposals in conjunction with Building Owners to provide the State with a fully functional office space, meeting all of the terms and conditions of the RFP. In addition, the State is requesting that the GE provide certain incentives and professional services to the State which would benefit the implementation of the CIRM objectives.

This is to be accomplished through two separate agreements, an agreement between CIRM and the Governmental Entity and an office lease agreement between DGS and the Building Owner.

State/CIRM is requesting to occupy a building in compliance with California Building Standards Code (CBSC) Current Edition, Americans with Disability Act (ADA) including Title II, Uniform Building Code, State and City Fire Marshal Regulations, local zoning and building codes and ordinances, Seismic, Toxic Materials, and all other applicable codes and regulations as required for occupancy by State employees. The project provides for securing a suitable building location within the State, construction of a fully serviced office space of approximately **17,000** net usable square feet and parking space to accommodate a minimum of forty (40) or more vehicles.

SCOPE OF SERVICES
Governmental Entity Responsibilities

The Governmental Entity will be the primary submitter for this RFP. The GE is expected to ensure that all information and certifications by them and by the proposed building owner are accurate and that the facility can be delivered on time and in accordance with the requirements in the RFP. In addition, the GE must ensure that all deliverables by third parties (conference facility managers, hotel owners, etc) can and will be made on time and as described in the GE portion of the proposal. Finally, the GE must assure that there are no legal or regulatory issues under the control of the GE that would prevent the facility from being occupied in accordance with the requirements of the RFP. Any limits not specifically listed in the proposal shall not be imposed by the GE after the award or during the period covered by the agreement between it and the State of California.

GE's in the State of California shall work in conjunction with the Building Owner to provide a joint proposal which shall provide professional, architectural, engineering, contractor, and consultant services (telecommunications, security and any other consultant services) necessary on the project to provide complete and fully functional office space for CIRM in the State of California. The responsible parties shall be 1) GE representatives authorized to offer such services; 2) developer; 3) architect/engineer licensed to practice in the State of California; and 4) a licensed design professional to perform or approve all work and licensed to practice in the State of California. Services may include, but not be limited to, site analysis, schematics, preliminary plans, construction documents, cost estimates, bidding support, securing required permits and construction support and administration, for any and all respective phases of the project.

Local governmental entities shall also work in association with Building Owners and CIRM to meet the local entity requirements of CIRM and as identified on Exhibit "D", titled "Agreement Between CIRM and GE". Exhibit "D" shall be executed by CIRM and GE at the same time as lease execution between the Building Owner and the State. The Building Owner will work in association with the project team that includes staff from Department of General Services (DGS), Real Estate Services Division (RESA), Client Agency (CIRM), and other State staff necessary to complete all other elements of the project. The contracting party for the lease agreement and all other services will be the Department of General Services, Real Estate Services Division.

The Independent Citizen's Oversight Committee (ICOC) will make the final decision on the selected site based on a recommendation by the State and CIRM.

REQUIREMENTS FOR THE JOINT PROPOSAL

The Governmental Entity must provide ten (10) copies of the responses to all minimum requirements and preferences by both the GE and Building Owner, including

documentation supporting the responses. In addition, the GE should sign a letter certifying to the accuracy of the responses and the documentation.

City/County/Governmental Entity: Provide the following:

Minimum Requirements

Each proposal/submittal must meet all Minimum Requirements to be selected for consideration. It will be at the State/CIRM sole discretion to determine if the minimum qualifications are met.

- An International Airport must be situated within 45 minutes, under normal traveling conditions, of the proposed facility by reliable transportation.
- Operational high speed communications infrastructure accessible by the proposed facility and building offices in close proximity.
- Building is situated close to public transportation for use by staff.
- A map identifying that the proposed building falls within the parameters of the local entity and meets all transportation requirements. Identify all sites on the map required to be in close proximity to the proposed site.

Preferences

Site Committee of the ICOC will be selecting four to five sites for final consideration based upon the responses to these preferences. Therefore, local entities must understand that responses to these preferences should be at the highest level possible. Also, each of the preferences will be scored based on the importance as determined by the Site Committee.

- A significant number of professionals engaged in the field of biomedical research should reside within 45 minutes under normal travel conditions of the proposed facility by reliable transportation. The number of such professionals should be estimated and the basis for the estimate should be documented, including, but not limited to, providing a list of the number of leading universities, research hospitals and/or private research institutions that specialize in biomedical research within the same travel time.
- An International Airport is situated within less than 45 minutes, under normal traveling conditions, of the proposed facility by reliable transportation.

- No/low cost conference facilities must be situated within 45 minutes, under normal traveling conditions, of the proposed facility by reliable transportation. The conference facility must be able to accommodate 150 or more persons for national or international conferences to support the future goals for the scientific, medical, and technical research funded by CIRM. The conference facility must be available for use no less than six (6) days per year. The specific times proposed for the use of the conference facility must be listed in the response to the RFP along with the terms under which the conference facilities would be made available. In addition, no/low cost professional quality hotel capacity for 150 persons or more must be located within the area of the conference facility. Parking for the conference facility and the hotel(s) must be located in close proximity.
- No/low cost professional hotel facilities available at any time during the year within 15 minutes, under normal traveling conditions, of the proposed facility to accommodate up to 25 ICOC members, members of working groups scientists, physicians, professional governmental and patient advocacy personnel. Provide specific terms and conditions under which the hotel facilities will be made available.
- The proposed facility is accessible to Sacramento by reasonable and reliable transportation via plane, train, car or bus. Specify the most timely mode of transportation and provide estimates of the time necessary for such trips. Preference will be given to the shortest and most reliable modes.

Building Owner: Provide the following:

Minimum Requirements

Each proposal/submittal must meet all Minimum Requirements to be selected for consideration. It will be at the State's/CIRM sole discretion to determine if the minimum qualifications are met.

- Tenant space should have approximately 17,000 net usable square feet of office space that includes but not limited to the following:
 - Minimum two conference rooms for 50 persons, two meeting rooms for 6-10 persons and two meeting rooms for 4-5 persons
 - Each conference room to be equipped with conference phone facilities that allow multiple contacts without interference

- Space for reference, kitchen, supply, reception and other general use (equipment for such facilities must be in place and ready for use at the time of occupancy).
- Minimum of forty (40) assigned parking spaces
- Wired for high-speed internet access using standard necessary to meet scientific and technical research activities
- Lease term of ten (10) years, with a firm term of four years. For each of years of firm term, preference is for no cost. For subsequent years, the lease rent may be at no cost or at the cost the Building Owner wishes to be paid. The Building Owner should indicate for years five (5) through ten (10) which years will be at no cost and which will have a cost and the amount. It is preferred that that actual cost in each of these years will be limited to no more than the 90% of the market value of similar space for that year.
- Signed letter certifying that the owner does not have and will not have in the future any ownership interest in any firms or agencies competing for grants to be awarded by CIRM.
- Documentation that the proposed building is in or will be in compliance with California Building Standards Code (CBSC) Current Edition, Americans with Disability Act (ADA) including Title II, Uniform Building Code, State and City Marshal Regulations, local zoning and building codes and ordinances, Seismic, Toxic Materials, and all other applicable codes and regulations as required for occupancy by State Employees.
- Offices include adequate sound buffering to ensure privacy of confidentiality and sensitive discussions.
- Office space must be located on a maximum of two or less floors with an internal stairway connecting the two floors and meeting all additional ADA requirements
- Governmental Entity must submit an irrevocable offer or offers for 75 days from the date all proposals are due. If the site is selected, the offer will be irrevocable for an additional fifteen days after the ICOC's selection of site and backup site to permit lease execution and execution of the agreement with the city and/or third parties on conference facilities, hotel accommodations and other components of the offer. If at anytime, CIRM notifies the proposed GE/ building owner that the proposal is no longer being considered, the building owner must submit a notice of revocation of the offer.
- Agreement to use State Lease Contract and Exhibit Documents.

- Agreement to provide occupancy within thirty (30) to ninety (90) days of lease execution. CIRM is not required to occupy for first 30 days after acceptance of space. If more than ninety (90) days will be necessary to allow occupancy in accordance with the commitments in the proposal, please state the number of additional days that will be needed and what commitments need the additional days.
- Building is within one-quarter mile to public transportation for use by staff.
- Building Owner shall be responsible for all costs incurred in response to submitting a proposal for this RFP

Preferences

Site Committee of the ICOC will be selecting four to five sites for final consideration based upon the responses to these preferences. Therefore, local entities must understand that responses to these preferences should be at the highest level possible. Also, each of the preferences will be scored based on the importance as determined by the Site Committee.

- Internet access should utilize fiber optics and be at the highest speed.
- Incentives, including: Free Rent, better lease terms than those listed under the Minimum Requirements, tenant improvements, moving and conventional furniture allowance, additional parking at or near the proposed CIRM facility.
- Prefer office space to be on one contiguous floor and meeting all State requirements
- Building owner to submit two (2) separate proposals. One proposal based on the building in an as is condition but in compliance with California Building Standards Code (CBSC) Current Edition, Americans with Disability Act (ADA) including Title II, Uniform Building Code, State and City Marshal Regulations, local zoning and building codes and ordinances, Seismic, Toxic Materials, and all other applicable codes and regulations as required for occupancy by State Employees.
- The second proposal based on all State Specifications, Facilities Design Program (FDP) and attachments in accordance with this RFP.

TERMS AND CONDITIONS**A. MAJOR BUSINESS TERMS****1. Premises**

Approximately **17,000** net usable square feet (“NUSF”) comprising all or a portion of the subject building (“Premises”). Actual size and layout of the Premises shall be subject to a mutually acceptable space plan and architectural measurement of the Premises using State measurement standards. Net usable office area includes all areas assigned to the State agency such as; offices, conference rooms, reception rooms, special use rooms, supply rooms, hallways within the space, private restrooms/showers, break rooms, auditoriums, cafeterias and spaces which can only be used by the State tenant. Net usable office area does not include stairwells, stacks/shafts, janitor closets, mechanical rooms, electrical rooms, general or required restrooms, dedicated public corridors and public lobbies. Net usable office area is measured from the finished surface of the office side of the corridor and other permanent walls, the dominant portion of exterior walls, and from the centerline of demising walls separating other offices. Please identify both the rentable and usable square footages of the proposed premises.

2. Term

The initial term shall be for ten (10) years commencing upon the occupancy of the State. Per the State of California Lease, Paragraph 3, the State may cancel the lease at any time after the forty-eighth (48th) month with thirty (30) days prior notice with no cancellation fee.

3. Occupancy

Building Owner shall be able to provide occupancy for the State within 90 days of lease execution, but in no event shall commencement of the lease term occur prior to 30 days after lease execution and before substantial completion of the Premises, and approval/acceptance by State.

4. Gross Full Service Rent

Please quote an absolute Gross total monthly rent calculated on the usable square footage for the Premises. This Gross rent should include base rent, any expected operating/tax expense increases and all parking (as outlined in Paragraph 7 below). The rent shall be paid in arrears on the last day of every month and shall include six-day-per-week janitorial service to the suite and all building operating expenses, including taxes, insurance, building maintenance and all utilities to the Premises.

5. Rent Escalation

The base rent shall not be subject to adjustment for increases in operating expenses and real estate taxes. Building Owner shall include any projected increases in operating expenses and real estate taxes in the Gross total monthly rent referred to in Paragraph 4 above.

6. Tenant Improvements

Building Owner, at building owner's expense, shall provide the tenant improvements necessary for the State to be in full operation on the commencement date of the lease. The tenant improvements will be according to the attached Facilities Design Program (FDP) and mutually acceptable architectural plans, Exhibit B specifications (example enclosed), Exhibit C, building standard materials, and shall include but not necessarily be limited to those items found in the enclosed Preliminary Description.

Said Tenant Improvements shall consist of the design construction and fixturing of the premises which may include, but not be limited to the following: space planning, programming, design development, pricing drawings, construction drawings, electrical/mechanical/engineering drawings, reimbursables, city permits and approval fees, construction administration, construction, all profit, overhead and general conditions and purchase and installation of data/voice cabling.

If the building owner includes furniture as part of the bid proposal, the cost for purchase and installation of conventional furniture shall be the responsibility of the building owner.

7. Parking

The State shall have the right to use forty (40) or more assigned permanent parking spaces, which shall be included in the monthly rental.

8. Space Planning

To demonstrate the building's efficiency and suitability for the State's purpose, Building Owner will prepare a preliminary space plan for the proposed tenancy. The State shall not reimburse Building Owner for the cost of space planning.

9. Security Deposit

No security deposit shall be required.

10. Access

The State shall have access to the building premises, at least one operational elevator and parking facilities 24 hours per day, 365 days per year.

11. Signage

Building Owner shall allow the State signage on the building directory, corridor walls and at the entrance to the State's premises. The signs and installation will be at the building owner's expense, with the building owner's approval and according to the specifications as designated by the State.

B. ADMINISTRATIVE ISSUES

1. Method of Measurement

For purposes of determining the square footage of the State's premises, the building's rentable and usable square footages shall be calculated in accordance with State standards (sample Exhibit "B" attached).

2. Prior Access

The State shall be granted access to the premises thirty (30) days prior to its scheduled date of completion for the purposes of, but not limited to, installing furniture, trade fixtures, telephone systems and business equipment (see paragraph in the enclosed sample lease).

3. HVAC Services

Building Owner, at building owner's expense, shall furnish and make available, heating, ventilation and air conditioning (HVAC) seven days a week, twenty-four (24) hours a day. Terms and conditions of after hours and weekend use must be provided.

4. Cleaning Specifications

Building Owner shall agree to provide janitorial services to the premises six (6) days per week pursuant to the specifications stated in the State Lease and any Exhibits thereto.

5. Purpose of Use

The State shall use the premises for general office use and other legally permitted uses.

6. Brokerage Fee

Building Owner understands that the State of California is not represented by any real estate brokers in conjunction with this requirement and any real estate brokerage fees relating the leasing of the proposed building will be the responsibility of Building Owner.

7. Tenant Improvement Construction Issues

Building Owner will agree to the following:

- There will be no charge for utilities, parking or hoisting services during the construction period.
- There shall be no Building Owner charge-backs for pre-installed improvements provided by the Building Owner.
- Building Owner will be responsible for the cost of all demolition.
- The State shall have the right to connect to the building's emergency generating system.
- Building Owner will be responsible for the cost of all ADA and building code compliance in the premises, bathroom, lobbies, corridors and all common areas of the building.
- Building owner shall provide conduit in the building's riser shaft sufficient for the State's telecommunication needs.
- Building Owner will be responsible for all architectural and engineering fees.
- Building owner is required to comply with all minimum requirements including State Specifications. If the building exceeds the minimum requirements, CIRM has the right to determine if the benefits are measurable
- Building Owner shall be responsible for identifying all areas where the building owner exceeds the minimum requirements
- If Building Owner is faced with hardships in complying with the minimum requirements, building owner shall be responsible in identifying these areas with an explanation and why

C. LEGAL ISSUES

1. Lease Document

Any lease generated as a result of any subsequent proposals will be subject to review and approval by State agencies as to the suitability of the Premises for their use. Please note that the State of California is required to use its own lease document and Exhibits A, B and C. A sample lease is attached for your review.

2. Hazardous Materials

To the best of the building owner's knowledge, the project will not contain any hazardous materials. Building Owner shall indemnify the State from all costs and liability associated with hazardous materials not introduced to the project by the State.

3. Attornment/Non-Disturbance

Building Owner shall be required to provide an attornment/non-disturbance agreement acceptable to the State in conjunction with this requirement.

D. STATE OF CALIFORNIA DOCUMENTS

Enclosed for your review are documents required by the State. The enclosed documents should contain the following: Facilities Design Program (Exhibit "A", Exhibits "B", "C", and "D", Seismic Certification Form, Asbestos Certification Form, Disabled Veteran Business Enterprise Forms, and the State of California lease document.

Prior to execution of the lease, the building owner will need to certify the proposed building will at the time of occupancy, or does currently meet the asbestos, seismic and lead requirements. Please note Item 7, which explains Real Estate Services Division method of calculating usable square footage:

1. Facilities Design Program (Exhibit "A"): Complete specifications to be used to provide cost estimates for tenant improvements.
2. **EXHIBITS B AND C:** These Exhibits provide extensive information regarding Tenant Improvement specifications, design process and ADA, State Fire Marshall and Title 24 compliance procedures.
3. **ASBESTOS:** Current State policy dictates that all buildings built before Calendar Year 1980 must be certified in writing to be "Free from hazards from Asbestos Containing Material (ACM)." The certification must be provided by an Industrial Hygienist certified by the American Board of Industrial Hygiene (ABIH) or an Environmental Protection Agency (EPA) Asbestos Hazard Emergency Response Act (AHERA) Certified Inspector. If the building was constructed subsequent to Calendar Year 1980, a photocopy of the Occupancy Certificate issued by the city or county building department is all that is required to be provided prior to the execution of the lease.
4. **LEAD:** Current State policy dictates that all buildings built before 1980 must be certified as free of hazard from lead Containing Materials (LCM).
5. **SEISMIC REQUIREMENT:** All facilities the State occupies must be evaluated for the ability to meet a seismic performance objective of substantial life safety. Evaluations must be performed by an independent licensed structural engineer.
6. **DVBE PARTICIPATION REQUIREMENTS:** State law and policy requires that State lease contracts over Ten Thousand Dollars (\$10,000.00) must accomplish either of the following two alternatives:
 - (1) Meet or exceed participation goals of three percent (3%) Disabled Veteran Business Enterprises (DVBEs) for the proposed lease contract; or

(2) Make a Good Faith Effort to meet the goals.

Included in the lease contract amount for DVBE participation is:

- a. Tenant improvements,
- b. Janitorial services, maintenance and property management during the firm term of the lease,
- c. Capital improvements directly related to the State's specifications for space,
- d. Architectural/engineering/consulting fees which are directly incurred as a result of the State's specifications.

7. **SQUARE FOOTAGE CALCULATION:** Usable square footage is based on the BOMA Usable definition with some modification as described in Exhibit B.

8. **FLOOR CERTIFICATION:** Floor shall be evaluated for conformance to the State specifications for floor level (1/8" in 20'-0").

9. **STANDARD LEASE FORM**

E. CONTINGENCIES

Any lease generated as a result of any subsequent proposals will be subject to review and approval by the State/CIRM.

All proposals must be received at the Department of General Services Offices at 707 Third Street, Fifth Floor, West Sacramento, CA, 95605, ATTN: Rebecca Donnachie, Staff Real Estate Officer, by **March 16, 2005 no later than 5:00 p.m.** No facsimiles will be accepted.

Name and legal entity of the Building Owner as it is to appear on the lease. (Please be specific as to legal entity, e.g., limited partnership, general partnership, corporation, joint tenancy, tenants in common, community property, sole and separate property, etc.)

NAME OF BUILDING (if any): _____
 ADDRESS: _____
 CITY _____ ZIP CODE _____

Assessor's Parcel Number upon which building is located. No. _____

Number of floors in building ____ Age of building _____

Space offered on ____ floor(s)

Building Owner's Name: _____

Building Owner's Legal Entity: _____

Building Owner's Address: _____

City: _____ Zip Code: _____

Building Owner's Federal Tax Identification No. _____

Building Owner's Telephone No. (____) _____

Signed by: _____ Date _____

(Printed name and title of person signing this bid)

BUILDING OWNER, GOVERNMENTAL ENTITY, AND THE STATE ACKNOWLEDGE THIS REQUEST FOR PROPOSAL IS NOT A LEASE, AND THAT IT IS INTENDED AS A BASIS FOR THE PREPARATION OF A LEASE PROPOSAL BY THE BUILDING OWNER. ANY SUBSEQUENT LEASE SHALL BE SUBJECT TO THE BUILDING OWNER AND STATE'S APPROVAL AND ONLY A FULLY EXECUTED LEASE SHALL BE BINDING ON EITHER PARTY.

Thank you for your participation in this State project. Please review the enclosed package. Should you have any questions, please call Rebecca Donnachie, Staff Real Estate Officer at (916) 375-4182. For space planning questions please contact the State Associate Space Planner, Eddie Chu, at (916) 375-4078.