

NOTICE OF PLANNED PROCUREMENT AND EXPRESSION OF INTEREST

FOR

THE PROVISION OF REAL ESTATE AND FACILITIES MANAGEMENT SERVICES

Notice of Planned Procurement (NPP) No.: **NPP-001427**

Issued: July 01, 2023

Submission Deadline: 2:00 PM EDT on August 4, 2023

Address Inquiries to NPP Contact: Ryan Lemay, Senior Procurement
Advisor

Email: rlemay@cmhc-schl.gc.ca

Address: National Office
700 Montreal Road
Ottawa, Ontario, Canada, K1A 0P7

1. INTRODUCTION

Canada Mortgage and Housing Corporation (“CMHC”) is a Crown Corporation, with a Board of Directors, reporting to Parliament through the Minister of Housing and Diversity and Inclusion.

CMHC exists for a single reason: to make housing affordable for everyone in Canada. We know that housing helps people stay employed, do better in school and participate more fully in society. Housing affordability and a stable housing finance system support a stronger, safer Canada where everyone can live with dignity.

Affordable housing for all is an ambitious goal, and we cannot do it alone. We’re mobilizing the expertise and energy of governments, non-profits, lenders, developers, social entrepreneurs, and co-ops to create the future of housing. Canada’s first-ever National Housing Strategy is just one example. Together, we are removing barriers to ensure that no one is left behind.

A comprehensive company profile of CMHC can be found at www.cmhc-schl.gc.ca

2. DEFINITIONS

CMHC	Canada Mortgage and Housing Corporation
EOI	Expression of Interest
NDA	Confidentiality and Non-Disclosure Agreement
NPP	Notice of Planned Procurement
Proponents	Potential vendors participating in Phase 1 of the RFP
Qualified Proponents	Potential vendors participating in Phase 2 of the RFP and submitting a proposal to the RFP
RFP	Request for Proposal
Respondents	Potential vendors submitting a Response to this NPP
Response	A completed and signed copy of Appendix 1 - Expression of Interest
Restricted Party	A person including any firm or organization (including any former and current employees) who (i) had, or currently has, participation or involvement in this procurement process; and (ii) may provide a material unfair advantage or material confidential information to any Respondent that is not, or would not reasonably be expected to be, available to other Respondents.

3. BACKGROUND

CMHC has a large real estate portfolio and key locations are the National Office Complex in Ottawa, Ontario and various business centers and real estate property throughout Canada.

In 2012, CMHC outsourced real property services, including facility management, space management, project management, lease administration and asset management to a third-party service provider. As of March 1, 2023, the portfolio consisted of approximately 767,960 thousand square feet (sq.f.) of owned and leased office space. The buildings in the portfolio are as follows:

Type	# of buildings	Size (sq.ft.)
Leased	5	132,003
Owned	1	635,937
Total	6	767,940

Please refer to Appendix 3 – CMHC Owned and Leased Office Space for details of the service locations.

CMHC provides real property services to its business units through a combination of (i) corporate real estate personnel delivering services directly; and (ii) third party service providers under the current agreement. From the perspective of the business units, service delivery is integrated and seamless.

3.1 Current Outsourced Services Agreement

The annual budget of the services provided under the current agreement is approximately \$5 million for the services, and approximately \$2.5 million for project delivery (including project management fees).

The current agreement was initiated in 2013 and is set to expire on March 31, 2024.

4. ACQUISITION STRATEGY

Respondents should note that this procurement falls within the scope of Chapter 5 of the Canadian Free Trade Agreement and Chapter 19 of the Canada-EU Comprehensive Economic and Trade Agreement (CETA) and is subject to such trade agreements, but the rights and obligations of the parties will be governed by the specific terms of this NPP.

CMHC intends to conduct a three-stage procurement process as follows:

- | | | | |
|----------|------------------------|---|--|
| Stage 1: | Seek capable companies | → | Notice of Planned Procurement and Expression of Interest |
| Stage 2: | Select company | → | Request for Proposals |
| Stage 3: | Contracting | → | Agreement negotiation and ratification |

Stage 1: NPP and EOI

Responses submitted under this NPP are non-binding. The issuance of this NPP is not to be considered in any way a commitment by CMHC or as authority to undertake any work described under Section 5. The main purpose of this NPP is to find capable companies offering real estate and facilities management services which meet all mandatory technical requirements of the potential subsequent RFP as identified in this Appendix 2.

Stage 2: RFP

Respondents that have submitted a Response to the NPP will proceed to Stage 2: RFP.

CMHC intends to conduct a multi-phase RFP process as follows:

Phase 1: Respondent Submission Regarding Mandatory Technical Requirements and Signature of Confidentiality and Non-Disclosure Agreement

- A. In this phase, the RFP will be issued to those Respondents who have submitted a Response to this NPP.
- B. Proponents will be required to submit (i) a response demonstrating they meet the mandatory technical requirements (which are set out in Appendix 2 for the information of Respondents) and (ii) the signed Confidentiality and Non-Disclosure Agreement (“NDA”). For the sake of clarity, no points or score will be awarded for compliance with the mandatory technical requirements. The Proponent’s response will be evaluated on a “pass/fail” rating basis only.
- C. Only Proponents who successfully demonstrated that they meet the mandatory technical requirements and have submitted the signed NDA, will be invited to participate in Phase 2 of the RFP as Qualified Proponents.

Phase 2: Submission and Evaluation of Rated Criteria

- A. In this phase, Qualified Proponents will be given access to CMHC business sensitive/confidential information, the RFP Appendices and the draft agreement, required to inform the development of the Qualified Proponents’ proposals, through a secure online vault.

- B. Proposals submitted by Qualified Proponents during this phase will be evaluated in accordance with evaluation criteria identified in the RFP.

Stage 3: Contracting

CMHC wishes to enter into a non-exclusive agreement with one (1) Proponent to provide real estate and facilities management services to CMHC.

The top-ranked Proponent from the RFP may be invited to enter into negotiations with CMHC and sign an agreement with respect to the detailed real estate and facilities management services set out in the RFP.

The initial term of the agreement that is intended to result from the RFP is expected to be a total term of seven years with up to five additional years of optional renewal terms, for a cumulative total of 12 years, including the initial term and options.

5. SCOPE AND REQUIREMENTS

5.1 Scope

The below listed in-scope services are intended to provide Respondents with a general overview of the required and potential future services for the purposes of providing a Response to this NPP.

Respondents must be capable of:

- Providing the services at a high level of service quality and working with CMHC to ensure business continuity, asset integrity and a positive building occupant experience;
- Bringing change by introducing innovation and continuous improvements throughout the term of the agreement;
- Providing a broad range of experience, being able to implement industry leading practices both to recommend enhancements and address issues faced in facility management today and in the future;
- Satisfying CMHC's evolving real property objectives, including meeting its corporate goals and objectives;
- Demonstrating its capability of delivering the services in a manner that meets CMHC's bilingualism requirements (services to be provided in English and in French of equal quality);
- Providing an integrated solution that draws on their existing experience, relies on their deep domain knowledge of emerging practices, provides innovation and leverages their resources, tools and practices;
- Collaborating with CMHC on a process to simplify adjustments that may be made to the portfolio of properties, services, service levels and other related matters during the term of the resulting agreement; and
- Providing a mechanism to introduce innovations that enhance service delivery or achieve other real estate objectives.

The selected Proponent from the potential subsequent RFP will provide the following service categories:

- Operations – maintenance and repair (M&R), including general maintenance, inventory management, management of building systems, commissioning, management of materials and parts, ad hoc services, etc.;
- Operations – occupant services, including help desk, housekeeping, snow/ice management, ground maintenance, waste management, pest control, etc.;
- Energy Management;
- Environmental and Sustainability Management;
- Emergency Management and Business Continuity;
- Asset Management;

- Project Management & Administration;
- Food Services Management;
- Gym Services Management;
- Drawing Management;
- Lease Administration;
- Integrated Information Management Systems and Technology Platform;
- General Administration – resources management, sourcing, supplier management, compliances with health and safety obligations, quality management, communications, records management, real property advice, accounting and financial management, reporting, etc.; and
- Any other additional and/or optional related real estate and facility management services.

The list included above is not intended to be an exhaustive list or description of the in-scope service categories. CMHC intends to provide full details with respect to the scope of these service categories, including descriptions of each service and service levels, in the potential subsequent RFP.

5.2 Deliverables and timeline

It is CMHC’s intent to finalize an agreement in November/December 2023 for the provision of services to start on April 1, 2024.

CMHC anticipates a three month transition period from January to March 2024. A detailed transition process and timeline will be agreed upon with the selected Proponent from the potential subsequent RFP.

6. MANDATORY REQUIREMENTS

Respondents are advised that the RFP process will include an evaluation by CMHC with respect to the mandatory requirements set out in Appendix 2 – Stage 2: RFP Mandatory Technical Requirements. As such, only Respondents that self-assess as being able to meet such mandatory requirements should submit a Response to this NPP.

7. ACQUISITION STRATEGY TIMELINES AND PROCESS

7.1 Anticipated Timelines

The timing of a subsequent RFP is planned as follows:

RFP issue date:	August 2023
Mandatory Technical Requirements and NDA deadline:	September 2023
Commencement of Phase 2 and Distribution of CMHC confidential information (RFP Appendices):	September 2023
Question & Answer Period:	September/October 2023
Proposal submission deadline:	November 2023
Evaluations & negotiations:	November/December 2023
Target award date:	January 2024

7.2 Restricted Parties During the Acquisition Process

At this NPP Stage, CMHC has identified the following firms or organizations as Restricted Parties:

1. P1 Consulting Inc.; and
2. Blakes, Cassels & Graydon LLP.

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 this procurement process. Without limiting this Section 7.2 (Restricted Parties), neither CMHC nor any of its employees, advisors or representatives is liable to any Respondent for any claims, whether for preparation costs of the NPP, loss of anticipated profit, loss of opportunity or any other matter whatsoever, for any use or reliance on this list, or use or inclusion of Restricted Parties in any response related to the procurement process.

7.3 Use or Inclusion of Restricted Parties

Each Respondent is responsible to ensure that neither the Respondent nor any member of the Respondent's team uses, consults or seeks advice from any Restricted Party, or includes any Restricted Party in the Respondent's team. CMHC will not be liable for any failure by a Respondent to verify that it has not breached this Section 7.3. CMHC may, in its sole discretion, disqualify a Respondent or impose such conditions on the Respondent's continued participation in the procurement process as CMHC may consider being in the public interest or otherwise appropriate, if the Respondent uses or includes a Restricted Party in the Respondent's team:

1. to advise or otherwise assist the Respondent in connection with the Respondent's participation in the procurement process, including in connection with the Respondent's preparation of its Response; or
2. as an employee, advisor or consultant to the Respondent or a Respondent's team member.

8. TERMS OF REFERENCE

- Only those Respondents able to meet (i) the RFP timelines as stated in Section 7.1; and (ii) the mandatory requirements as stated in Appendix 2 – Stage 2: RFP Mandatory Technical Requirements, should provide a Response (the EOI document) to this NPP;
- In the event CMHC chooses to issue an RFP following this NPP, the RFP will be issued only to those Respondents who have submitted a Response (the EOI document) to this NPP;
- A question and answer process is not available for the purpose of this NPP. CMHC intends to include a question and answer process in the RFP;
- Meetings between Respondents and CMHC will not be held for the purpose of this NPP. CMHC, at its sole discretion, may include commercially confidential meetings with each Proponent in the RFP if deemed necessary at that time.
- CMHC intends to conduct negotiations as part of the RFP selection process;
- CMHC, at its sole discretion, reserves the right to cancel this NPP at any point and/or refrain from issuing an RFP;
- Neither this NPP nor any subsequent selection process will in any way impose any liability, obligations or responsibilities on CMHC (i) to execute any agreement with any Respondent and/or Proponent; and (ii) for any costs, damages, losses of any kind incurred and/or suffered, directly or indirectly, by a Respondent in relation to responding to this NPP. By submitting a Response to this NPP, Respondents waive any right to seek costs, damages, losses of any kind or any other remedy or cause of action against CMHC with respect to this NPP or any subsequent RFP or other selection process.
- In order for interested Respondents to be considered in the RFP, a Response to this NPP must be submitted to the Procurement Officer Ryan Lemay by August 4, 2023 at 2:00 pm Ottawa Local to rlemay@cmhc-schl.gc.ca

APPENDIX 1 - EXPRESSION OF INTEREST

This form is used to confirm your company's intent to respond to a subsequent Request for Proposal.

The Respondent certifies that, to the best of its knowledge, the information it has provided in this Expression of Interest, is complete and accurate.

Notice of Planned Procurement No.: RFX-001427

Dear Sir or Madam:

We hereby confirm our interest in responding to an RFP. We acknowledge and warrant that we meet the mandatory requirements stated in this NPP, and possess the requisite experience and expertise, as well as the financial stability to (i) fulfill the service; or (ii) supply the good.

Please indicate language of preference for RFP documents:

English; or

French.

Signed:	
Name & Title: (point of contact)	
Respondent:	
Address:	
Telephone:	
Mobile:	
Email:	
URL:	

APPENDIX 2 – STAGE 2: RFP MANDATORY TECHNICAL REQUIREMENTS

Proponents in the RFP process must demonstrate that they meet the mandatory requirements set out in this Appendix 2. As such, only Respondents that self-assess as being able to meet these requirements should submit a Response to this NPP.

#	Mandatory Requirement Description
1.	The Proponent must be incorporated and authorized to do business in Canada.
2.	The Proponent must have an operational bilingual (English and French of equal quality) help desk.
3.	The Proponent must have in the last three years preceding issuance of the RFP or must currently provide the services identified in Section 5.1 of this NPP to property(s) larger than 400,000 square feet.
4.	The Proponent must have experience delivering the services identified in Section 5.1 of this NPP across a portfolio of properties at a provincial or national level in each of the last three years preceding issuance of the RFP.
5.	The Proponent must be capable of delivering the services in the Ottawa properties identified in Appendix 3 – CMHC Owned and Leased Office Space and be able to respond within two hours of being contacted by CMHC.
6.	<p>The Proponent must have experience delivering the services identified in Section 5.1 of this NPP using an integrated platform, in each of the last three years preceding issuance of the RFP, consisting of the following information technology systems:</p> <ol style="list-style-type: none"> 1. Computerized Maintenance Management System (CMMS); 2. Work Order Management System / Help Desk 3. Project Management System; 4. Lease Administration System; 5. Asset Management System; 6. Business Analytics; and 7. Dashboard Capabilities.
7.	The Proponent must ensure that all of CMHC sensitive and/or protected or secret data and personal information, while at rest or in transit, must be encrypted and reside and is accessed from within Canada at all times. Data residency in Canada is not mandatory for regular business communication that does not include sensitive and/or protected or secret information (including personal information).
8.	<p>The Proponent shall provide during Phase 1 of the RFP their audited annual financial statement for the last fiscal year and demonstrate that they comply with each of the following in order to receive a “pass” in respect of the financial capability criteria:</p> <ol style="list-style-type: none"> 1. The Proponent has annual revenues in excess of C\$45 Million 2. The Proponent’s cash flows from operating activities are positive. See Note No 1. 3. The Proponent has working capital or other forms of liquidity (e.g. unused credit facility) in excess of C\$6.5 Million. <p>Notes:</p> <ol style="list-style-type: none"> 1. In the event the last fiscal year’s cash flows from operating activities are not positive, the Proponent shall provide their audited annual financial statement for two additional years, for a cumulative total of the last three fiscal years. The financial statements must demonstrate that the cumulative cash flows from operating activities over the last three years are positive.

APPENDIX 3 – CMHC OWNED AND LEASED OFFICE SPACE

TABLE 1 – Owned Office Space			
#	Branch	Address	Area SQ. FT
1	National Office	700 Montreal Rd, Ottawa Ontario K1A OP7	165,933 (Bldg. A) 56,805 (Bldg. B) 298,018 (Bldg. C) 115,181 (Bldg.C Garage)

TABLE 2 - Leased Office Space				
#	Branch	Address	Area SQ. FT	Landlord
1	Atlantic Business Centre	1894 Barrington Street, 8 th floor and 9 th floor Halifax NS B3J 2A8	22,770 <i>11,385 as of July 1, 2024</i>	Crombie REIT 610 East River Rd, Suite 200 New Glasgow, NS B2H 3S2
2	Québec Business Centre	1100 René Lévesque Blvd. West 1 st floor, 2 nd floor, 3 rd floor Montréal, QC H3B 5J7	48,558	Complexe1100 RLO S.E.C. 1100, boul. René-Lévesque Oust Suite 1838 Montréal (Québec), H3B 4N4
3	Prairie and Territories Business Centre	1000 7th Avenue, SW Ste 200, 300, Calgary, AB T2P 5L5	32,774 11,180 as of July 2023	Plaza 1000 Ltd c/o Riverpark Properties Ltd. Suite 445, 999 - 8th Street SW Calgary , AB T2R 1J5
4	British Columbia Business Centre	1111 West Georgia, 19 th & 20 th floors Vancouver, BC V6E 4S4	14,630	TA Management Limited Terasen Centre 1111 West Georgia Street, Suite 1788 Vancouver, BC , V6E 4M3
5	Downtown Toronto	70 York St., Suite 1100, Toronto Ont	13,271	Maple Tree Leasehold Inc. c/o Colliers International 181 Bay St. Suite 1400 Toronto ON M5J 2V1
Leased Office Space Scheduled for Permanent Closure (Effective June 30, 2023)				
1	Ontario Business Centre	100 Sheppard Ave E , (3 rd floor, 4 th floor), Suite 300 Toronto, ON M2N 6Z1	16,395	The Manufacturers Life Insurance Company Suite 1020, 100 Sheppard Avenue East Toronto, Ontario, M2N 6N5
2	Fort William First Nations	Unit 12- 656 City Rd. Fort William First Nations ON P7J 1K3	140	Kelly S. Banning 656 City Rd Fort William First Nations ON P7J 1K3