Salt Lake City Corporation Request for Proposal CULINARY INCUBATOR KITCHEN Grant Funding Application



Information and Requirements

May 1st, 2015

More information and resources related to this grant opportunity can be found at www.slcgov.com/slcgreen/cik

I. Objective

Salt Lake City Corporation (the "City") is soliciting competitive sealed proposals from qualified individuals, government partners, non-profit organizations, for-profit business, and institutions to develop and manage a financially sustainable Culinary Incubator Kitchen ("CIK") located within the Salt Lake City boundaries. Some portion of the CIK must be identified for use by the community.

II. Background

A CIK is a type of business incubator focused on food, and it is most often used by startup food businesses or ongoing small food businesses. It includes a licensed commercial shared-kitchen facility that provides kitchen space for the producers of food products. A CIK can drive new start-up businesses that could not legally produce its food without a health department licensed commercial kitchen. In addition to producing food, commercial kitchens can be used to teach cooking and nutrition classes, host food tastings, and other events. A CIK is essential for start-ups who do not have capital to invest in building its own kitchen because the CIK can allow small food businesses to survive without the overhead of managing and maintaining a commercial kitchen and include an education component that helps users build knowledge specific to food enterprise, create business plans, and meet safe food handling requirements.

On January 8th, 2013 the City Council appropriated \$100,000 from its CIP Fund Balance to be available for capital costs related to a CIK facility with the understanding that:

- The City Administration and the Salt Lake City Food Policy Task Force would seek partners for the CIK and development of the CIK's use, design, and location,
- \$100,000 would be used, in combination with private funds raised, toward the construction and capital costs of the CIK, with all other costs required to retrofit the facility to meet fire code and ADA requirements to be covered by the selected proposer, and
- The City's Food Policy Task Force and the Administration would report back to the City Council on the progress of the CIK.

On March 24, 2015, the City Council appropriated an additional \$500,000 from the Sustainability Fund to be available for capital costs related to a CIK facility with the understanding that:

\$250,000 will be disbursed through a grant; and

\$250,000 will be available to finance additional capital costs that the applicant identifies.

The City wants offerors to present a proposal to plan, construct, and operate the CIK in Salt Lake City using either an existing commercial kitchen or a commercial kitchen constructed specifically for this CIK project. Except for the \$350,000.00 of City funds, and \$250,000 in loan funds, the selected offeror will need to finance and pay for all other costs to plan, build or acquire, and operate the CIK. Attachment 4 is entitled "SLC CIK Feasibility Study." **The study helped guide some of the questions and requested responses in the Proposal Content & Evaluation Criteria section of this RFP and may help respondents develop proposals.**

III. City's Expectations of Offerors

Offerors Must:

- 1. Provide a CIK of at least 3,500 square feet, located within Salt Lake City, for the term described in the attached Sample Agreement, that meets the guidelines and criteria contained in the SLC CIK Feasibility Study.
- 2. Have experience relevant to establishing and operating a CIK.
- 3. Be approved by City's Sustainability Division, Office of Economic Development, or by members of the Salt Lake City Food Policy Task Force, and allow any of those entities to serve in an advisory role for the CIK.
- 4. Comply with all applicable federal, state, and local regulatory safe food requirements.
- 5. Comply with applicable City building and zoning codes.
- 6. Comply with Americans with Disabilities Act ("ADA") requirements.
- 7. Use a location that meets all applicable seismic codes and standards.
- 8. Reserve some portion of the CIK for use by the community.

IV. City's Goals for the CIK

The City would like the CIK to support and be consistent with the following goals:

- 1. Well outfitted kitchen that supports entrepreneurial opportunity and varied professional skill building for a broad range of emerging and existing local food professionals.
- 2. Financial sustainability.
- 3. Highly skilled management.
- 4. Demonstrate innovation in energy and environmental design strategies (LEED Silver or higher).
- 5. Provide transportation accessibility for all users.
- 6. Be usable safely and securely year round with extended hours.
- 7. Build working relationships with existing public, private, and non-profit entities supporting local enterprise.
- 8. Create excitement and celebration for Salt Lake City's local food culture.
- 9. Complement and enhance local neighborhood environment.
- 10. Reserve some portion of the CIK for use by the community.
- 11. Encourage and accept broad-based community participation.

V. Insurance Requirements

Offerors should review the required insurance coverage and notice of policy cancellation requirements that will be part of the resulting contract(s). <u>Such insurance information is provided under Paragraph 4 of the Sample Agreement</u>. Proposed pricing must include associated insurance costs. The selected offeror will be required to provide insurance certificates meeting all requirements at the time of notification of conditional award.

VI. Proposal Submission

- □ Sign and return the **Proposal Response Cover Sheet** (ATTACHMENT 1). The form must be signed by a representative authorized to bind the offeror contractually.
- □ Submit all required information as outlined in the **Proposal Content & Evaluation Criteria** section of **ATTACHMENT 1**.
- Submit a PDF proposal via email.
- ☐ Title email with RFP name and submission deadline date.
- Submission Deadline: 12:00 a.m., MDT, July 19th, 2015. <u>Proposals received after the</u>
 12:00a.m. MDT deadline will not be considered.
- □ Submit to the email address shown on the **Proposal Response Cover Sheet (ATTACHMENT 1).**

NOTE: Proposals will be opened in a manner preventing disclosure of proposal respondents and the contents of the submissions. Proposals will then be sent to the City-appointed selection committee for evaluation.

Even after an offeror is selected for award, no information regarding the proposals will be made public until contract negotiations have been completed and a formal contract has been awarded. When the formal contract has been awarded, the name of the company awarded the contract will be listed on our website.

VII. Additional Information

The City's **designated contact person** for questions or additional information concerning the services specified in this Request for Proposal, or for additional information concerning Request for Proposal procedures and regulations (i.e., submission deadline, forms required, etc.), or Americans with Disabilities (ADA) accommodations, is Bridget Stuchly in the Sustainability Division: telephone (801) 535-6438; TDD (801) 535-6021; FAX (801) 535-6638; e-mail (bridget.stuchly@slcgov.com).

All questions requesting clarification or interpretation of any section or sections of this RFP can be submitted <u>via email</u> on or before **July 15th, 2015**.

Access the application at www.slcgreen.com,

Questions received after the date above may not be considered or receive a written response. If questions prompt the need for changes to the specification, the City will issue a written addendum to the original specification.

Any Q & A information and/or written addendums issued by the City shall be available for interested offerors to view and/or download within three working days following the above referenced deadline. Go to $\underline{\text{www.slcgreen.com}}$ and $\underline{\text{click on the}}$ $\underline{\text{Culinary Incubator Kitchen link. All Q & A information and addendums will be contained in the "Bid Packet." It is the responsibility of the offeror to view and/or download Q & A information and addendums before submission of their proposal.$

VIII. Register for Notification of RFP or Bid Addenda

It is the bidder/offeror's responsibility to register for notification to receive any changes, corrections, question/answer documents, and addendums issued for RFP documents.

To receive notification of question/answer documents and addendums added to the RFP, the offeror must submit a letter of intent to bridget.stuchly@slcgov.com, stating their intent to apply for grant funds with company's/organization's contact information.



Attachment 1 Proposal Response Cover Sheet

Submit Proposals via email to:	
Bridget Stuchly	
Salt Lake City Sustainability Division	
bridget.stuchly@slcgov.com	
 Please include the RFP Name and submission deadline date in the subject line of the email 	
Offeror Information:	
KITCHEN in and for Salt Lake City, hereby offers to perform and subject to the terms and conditions set forth in the attack in the proposal. OFFEROR Company Name:	p [] a corporation [] a limited liability company
By:(Signature of authorized representative)	(Please Print on Tyme Name)
(Signature of authorized representative)	(Please Print or Type Name)
PRINCIPAL OFFICE ADDRESS:	
Street Address	
City	County
State	Zip Code
Telephone () FA	AX()
Email Address	
TAXPAYER IDENTIFICATION NUMBER:	
Employer I.D. No.	R Social Security No
Employer I.D. No (Corporation or Partnership)	(Individual)
· · · · · · · · · · · · · · · · · · ·	LUDE THIS COVER SHEET AND REQUIREMENTS LISTED BELOW





I. Award by Written Agreement

The selected offeror shall be required to enter into a written agreement in substantially the form as shown in the attached **SAMPLE AGREEMENT** (**ATTACHMENT 3**) which shall be the basic form used to develop the final agreement.

- Signature on the <u>Proposal Cover Sheet</u> acknowledges that the offeror is willing to enter into the agreement if awarded the contract. Offerors are advised to read thoroughly the Sample Agreement as the selected offeror will be required to comply with its requirements.
- If offeror has any exceptions to the Sample Agreement, the offeror must follow the procedures stated under Paragraph V, EXCEPTIONS TO PROPOSAL & SAMPLE AGREEMENT.

II. Preparation of Proposals

- A. Failure to Read. Failure to read this RFP and these instructions will be at the offeror's own risk.
- B. <u>Cost of Developing Proposals.</u> All costs related to the preparation of the proposals and any related activities are the sole responsibility of the offeror. The City assumes no liability for any costs incurred by offerors throughout the entire selection process.

III. Submission Deemed Agreement

Submission of a proposal, or other offer or submission constitutes the offeror's agreement to all of the terms, conditions, and provisions of the proposal package, or other solicitation documents. In addition, submission of a proposal or other offer or submission by fax or E-mail constitutes a waiver of any claim to confidentiality, or any protest based on such a claim. By the submission of any proposal or other offer or submission, the bidder or offeror represents that the matters stated therein are true and correct.

IV. Proposal Information

- A. <u>Discussions With Offerors</u>. The City reserves the right to enter into discussions with the offeror(s) determined to be reasonably susceptible of being selected for award, or to enter into exclusive discussions with the offeror whose proposal is deemed most advantageous, whichever is in the City's best interest, for the purpose of negotiation. If exclusive negotiations are conducted and an agreement is not reached, the City may enter into negotiations with the next highest ranked offeror without the need to repeat the formal solicitation process.
- B. <u>Equal Opportunity.</u> The City will make every effort to ensure that all offerors are treated fairly and equally throughout the entire advertisement, review, and selection process. The procedures established herein are designed to give all parties reasonable access to the same basic information.
- C. <u>Proposal Ownership.</u> All proposals, including attachments, supplementary materials, addenda, etc., shall become the property of the City and will not be returned to the offeror.
- D. Rejection Of Proposals.
 - The City may reject any or all proposals received. Furthermore, the City may waive any informality or technical defect in proposals received when in the best interest of the City.
 - No proposal shall be accepted from, or contract awarded to, any person, firm, or corporation that is in arrears to the City upon a debt or contract or that is in default, as surety or otherwise, upon any obligation to the City, or that may be deemed irresponsible or unreliable by the Purchasing & Contracts Division. Offerors may be required to submit satisfactory evidence that they have the necessary financial resources to perform and complete the work outlined in this RFP.

E. <u>Failure to Submit A Proposal.</u> Failure to submit a proposal (or to advise the City Purchasing & Contracts Division that future Requests for Proposal are desired) may result in the removal of your firm from the prospective offerors list.

V. Exceptions to Proposal & Sample Agreement

If the offeror takes exception to any term, condition, or requirement set forth in this RFP or the Sample Agreement and any of its exhibits and attachments, the exceptions must be clearly identified and included in the response to this RFP. Exceptions or deviations to any of the terms, conditions, or requirements must not be added to the proposal pages but must be submitted in a separate document accompanying the offeror's proposal identified as "Exceptions." Such exceptions shall be considered in the evaluation and the award processes. The City shall be the sole determiner of the acceptability of any exception.

If the City omits anything from this RFP that is necessary for a clear understanding of the project, or if it appears that instructions are in conflict, then the offeror may request written clarifying information from the Purchasing & Contracts Division at least forty-eight (48) hours before the time and date of the proposal opening shown above.

VI. Confidentiality

All responses, inquiries, and correspondence relating to this RFP and all reports, charts, displays, schedules, exhibits, and other documentation produced by the offeror that are submitted to the City, as part of the proposal or otherwise, shall become the property of the City when received by the City and may be considered public information under applicable law. The City is subject to the disclosure requirements of the Government Records Access and Management Act, Title 63G, Chapter 2, Utah Code Annotated ("GRAMA"). The City generally considers proposals and all accompanying material to be public and subject to disclosure. Any material considered by the offeror to be proprietary must be accompanied by a written claim of business confidentiality and a concise written statement of reasons supporting the claim. Blanket claims that the entire proposal is confidential will be denied. The City cannot guarantee that any information will be held confidential. If the offeror makes a claim of business confidentiality, the City, upon receipt of a request for disclosure, will determine whether the material should be classified as public or nonpublic and will notify the offeror of such determination. The offeror is entitled under GRAMA to appeal an adverse determination. The City is not obligated to notify the offeror of a request to see the offeror's proposal, and will not consider a claim of confidentiality, unless the offeror's claim of confidentiality is made in a timely basis and in accordance with GRAMA.

VII. Governing Code and Rules

The City's procurement processes, including this competitive solicitation, are governed by Salt Lake City Code 3.24 and Salt Lake City Administrative Rules for Procurement.



Attachment 2 cont. Content & Evaluation Criteria

Instructions: When preparing proposals, reply to each of the following proposal content and evaluation criteria in the order listed. Please restate each numbered point listed below followed by your response in full, narrative sentences and provide any requested materials.

I. Qualifications (25 points)

- A. Describe your firm's experience and qualifications to meet the City's requirements as outlined herein. Include a general overview and history of your company, number of years in business, number of employees, corporate headquarters location, type of business, names of the firm's chief officers, and where the firm does business.
 - 1. Include a statement addressing whether you already own or lease an existing licensed commercial kitchen, in Salt Lake City or elsewhere, and describe your use of any such facility. If you already own or lease a commercial kitchen in Salt Lake City, state whether that is the location you propose to use for the CIK.
 - 2. Review Section III of the RFP (CITY EXPECTATIONS OF OFFERORS) and state whether you do or will meet all of such expectations if selected. Identify any expectations that you don't currently meet and explain how you intend to meet those expectations if selected.
 - 3. Describe your ability to provide business, regulatory, and licensing education for CIK participants regarding how to start and run a café, restaurant, or other commercial kitchen enterprise.
 - 4. Provide a general statement of your financial condition and ability to fund any necessary construction or leasing of a CIK.
- B. Identify proposed staff members who would be involved in providing the services requested in this RFP and submit statements or resumes detailing their qualifications. Include information on levels of training for each staff member and detailed descriptions of their involvement with projects of similar or identical scopes.
- C. If applicable, identify any of the work that you intend to subcontract to others and identify the proposed subcontractors including names, specific assignments, and the qualifications of the subcontracting firm and its key personnel.
- D. Detail your firm's experience in providing and operating a CIK or a related enterprise, with dates of performance and completion, customer name, contact person, and telephone number(s). List any pertinent licenses, training, or permits you hold that are relevant to this RFP. Provide at least three references and their telephone numbers. By providing such references you agree that neither the City nor the clients referenced shall have any liability regarding the provision of such references or the City's use of such references in making selections under this RFP.
- E. Is your company currently involved in arbitration or litigation for any reason? If so, please elaborate.
- F. Has your company, or any of your proposed sub-contractors, ever filed for reorganization or bankruptcy? If so, please provide dates and resolution. Please be advised that before the City enters into a final agreement, a credit check will be required.

II. Proposed Approach to Project (50 points)

- A. A statement of your understanding of the project and a general description of your proposed approach to the project.
 - 1. Identify your proposed location for the CIK and the square footage of the building, or portion of a building, that will be utilized for the CIK. Note that the minimum square footage requested by the City for the CIK is 3,500 square feet.
 - a. If proposing the use of an existing commercial kitchen for the CIK, describe its current use and the amount of time it will be available for use as a CIK.
 - b. Describe the building's age and any recent energy efficiency upgrades that have been incorporated to improve the energy consumption of the building and appliances.

- c. Provide information related to the age and type of any existing kitchen appliances that you will include in the proposed CIK.
- d. Discuss whether you believe the proposed CIK is large enough to accommodate more than one tenant at a time.
- e. State whether the CIK will be available for use by tenants 24 hours per day, seven days a week and, if not, describe how often the CIK would be available for use by the tenants.
- 2. Describe your recommended method for the parties to agree on the design and layout of the CIK area and the modifications necessary to accommodate such design and layout. Describe the layout and how you would equip the CIK so it can merit a broad-based community need and meet all licensing requirements and specifications for food processing, including raw food processing of fruits, vegetables, seafood, and meat. Identify what climate control features your HVAC system has to regulate and maintain specific and distributed temperatures throughout the facility.
- 3. Describe how you would fund startup or construction costs to establish the CIK and how you would fund the ongoing operation of the CIK in a way to make it sustainable. Describe your rental fee structure and how you would accommodate users of different levels of income and stages of business development. Please provide three years of financial projections. Score.org has helpful calculators and tools to help create financial projections and business plans. Profit and loss calculator can be found at https://www.score.org/resources/1-year-profit-loss-projection-xls
- 4. Describe your suggested community use for the CIK and the frequency or amount of time that will be available for this use. Identify any event, meeting, or classroom space that will be available.
- B. Describe culinary, business, technical, and any other training that you will provide to people or entities that want to use the CIK and how you intend to help them prepare and finally open a café, restaurant, or other culinary venture of their own. How will this kitchen help food businesses grow their business to a point where they outgrow the incubator? What is an expected turnover or graduation rate for incubator tenants? How long will a business rent at this incubator? Approximately how long will it take for a business to achieve success and move on with growing their food business outside of this incubator?
- C. Provide a detailed work plan outlining each required task necessary to establish and operate the CIK as described in the project scope of services.
- D. Provide a tentative schedule for providing and putting the CIK into operation.
- E. Explain how you would publicize and market the CIK and what, if any, demographic groups you might target in your messaging.
- F. Explain how you intend to schedule time for using the CIK kitchen facilities to CIK Users. Do you intend to have one or more "anchor tenants", regular kitchen users such as caterers or mobile food businesses to provide sustained rent revenue and stability to the facility and, if so, how much time would you propose to commit to such anchor tenant or tenants throughout a typical day, week, or month?
- G. Describe your loading dock facilities and how you are set up for deliveries.
- H. Identify and describe if you have the following at your existing facility or how you would incorporate them into a facility that you construct;
 - Safe off street loading docks with level surface
 - On site grey water dumping and disposal
 - Waste stations for separating recycling, composting, and trash
 - Used oil disposal
- I. Describe the type and space of facilities available for storage of equipment and food items by CIK users. Include a description of cold storage, walk in refrigeration and freezing, and dry storage area. Also address how you will address security for such items.
- J. Identify the major risks associated with this project. For each risk, identify activities that can reduce, mitigate, or eliminate the risk. Identify the associated responsibilities. Ensure that those activities are reflected in your project and management plans.

- K. State whether you would use a vehicle in connection with your work with the CIK and, if so, state whether you currently have automobile insurance that meets the limits and requirements of Paragraph 4.B.3 of the attached Sample Agreement or will obtain such insurance if you are selected.
- L. Identify if you plan to designate space for the production of specialty foods prepared for specific dietary, religious, or cultural restrictions.
- M. Describe how you plan to work with the City's Sustainability Division managers and staff and the City's Food Policy Task Force to ensure that public need is supported and met in the long term.
- N. In addition to the specific service proposals specified above, identify and recommend any additional or innovative services and products you could provide that could enhance a comprehensive CIK program. If there is a better way for the City to package or define the services requested herein in order to obtain better pricing or service, please explain what modifications would be necessary to achieve such better pricing or service.

III. Proposed Fees (15 points)

A. Provide an estimate of the total costs you would incur to provide and furnish the CIK ready for operation as you have described if the City did not provide any funding to help offset such costs.

The City will provide up to \$350,000 in grant funds, and \$250,000 in loan funding to help get the CIK established and ready for operation but the City needs assurances that the selected contractor will provide the CIK, recruit people or entities to use its services, and remain in operation for a minimum of two years. Please state how much of the grant and loan funding will be requested in the proposal. Explain how and when you suggest the City provide these grant funds to you. The City reserves the right to negotiate how and when such funds will be made available to the contractor and whether any special conditions will apply. If you are applying for the loan funding additional financial information will be required to process the loan (www.slcdocs.com/slcgreen/Checklist for CIK loan Applications.pdf). Approval and disbursement of loan funds will occur after the total grant funds have been allocated. These additional documents do not need to be presented with your grant proposal.

B. Describe your fee structure for services provided to people or entities utilizing the CIK and your assessment of whether such fees will allow the CIK to operate on a sustainable basis without additional outside funding from the City or others.

IV. Other Required Information (10 points)

- A. <u>Exceptions.</u> If you have any exceptions to any of the terms, conditions, or requirements of this RRP or the attached Sample Agreement they must be identified and included as specified in **Paragraph V of** *Attachment 2, General* **Proposal Instructions & Information.** Include a response to this item stating whether you have, or have not, included any exceptions.
- B. <u>Interest in sustainability, recycling, and other environmental matters.</u> The City has an interest in doing business with suppliers that have implemented formal sustainability plans and have operations with minimal adverse impact on the environment. State whether your firm has a formal sustainability plan, program, or policy and, if so, attach a copy to your proposal. Any sustainability plan, program, or policy should address recycling, re-use of materials, and reduction of waste. List measures such as alternative fuel vehicles, recycling measures, and energy reduction measures used by your firm in its operations.
- C. <u>Electronic payment</u>. The City is encouraging offerors to accept electronic payments using a process whereby vendors can receive payments and remittance advices electronically. Please provide information relating to: (1) your ability to accept electronic payments and remittance advices; (2) your policy, if any, regarding electronic payments and (3) your discount, if any, for electronic payments.
- D. <u>City Ethics Requirement.</u> Include the following two paragraphs in your proposal and then add your own written acknowledgement that you have read the paragraphs and agree to comply with their terms.

REPRESENTATION REGARDING ETHICAL STANDARDS FOR CITY OFFICERS AND EMPLOYEES AND FORMER CITY OFFICERS AND EMPLOYEES. The offeror represents that it has not: (1) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (3) knowingly

breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (4) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

Pursuant to the foregoing, it is the City's policy that City employees are prohibited from personally accepting gifts, incentives, and marketing or promotional items from suppliers and that suppliers shall not offer such items to City employees. Such offers from suppliers are inappropriate and may result in suspension or debarment of the supplier from the City's procurement processes.

- E. Offerors are hereby informed of the City's requirement to comply with Utah Code Title 63G Chapter 12, which requires a contractor to register and participate in the federal Status Verification System to enter into a contract for services with a Utah public agency. Please state whether your firm is registered and participating in the federal Status Verification System to verify the work eligibility status of new employees that are, or will be, employed and performing work in Utah. If your firm is not currently registered and participating in the federal Status Verification System, describe how you will meet this requirement if your firm is selected for a conditional award from this solicitation.
- F. Value-Based Procurement. The City has determined that it obtains better value from contracted services when certain practices enhance a contractor's or consultant's work environment. Some consideration will be incorporated into the scoring of proposals for the following criteria. Please respond to the following:
 - 1. Has your company adopted a written policy stating that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or sexual orientation?
 - 2. Has your company conducted an apprenticeship during the 12 months before submitting this offer that is consistent with the requirements of Utah Code Title 35A, Chapter 6 and the requirements of the U.S. Department of Labor Bureau of Apprenticeship and Training?
 - 3. Has your company adopted and implemented a written company policy creating a drug-testing program for preemployment, and for testing based on "cause," consistent with the requirements stated in Utah Code Title 34, Chapter 38 (private employees), Title 34, Chapter 41 (local government), or Title 67, Chapter 19 (state)?
 - 4. Does your company have a fixed office or distribution point within Salt Lake City boundaries, (ii) possess a Salt Lake City business license stating a Salt Lake City address, (iii) employ no more than 30 full-time employees (meaning employees working at least 40 hours per week for 50 weeks per year), and (iv) have annual gross revenues not in excess of \$1 million (must meet all four requirements to respond "yes")?

ORAL INTERVIEWS AND SITE VISITS MAY BE CONDUCTED WITH ONE OR MORE PROSPECTIVE OFFERORS. THE DECISION OF THE CITY'S SELECTION COMMITTEE SHALL BE FINAL AND CONCLUSIVE.

PURSUANT TO REQUIREMENTS OF PARAGRAPH D ABOVE, DO NOT SUBMIT ANY GIFTS OR PROMOTIONAL ITEMS WITH YOUR PROPOSAL. CITY EMPLOYEES ARE NOT ALLOWED TO ACCEPT SUCH ITEMS REGARDLESS OF THEIR VALUE.



Attachment 3
Sample Agreement

The Sample Agreement will be subject to review and modification by the City Attorney's Office.

CONTRACT NO. 57-1-13-6491

Rev. July 19, 2013/ds

SAMPLE AGREEMENT

CULINARY INCUBATOR KITCHEN

THIS AGREEMENT is between SALT LAKE CITY CORPORATION, a Utah municipal corporation ("City"), and Ø, a _ ("Contractor"), and is dated as of the date the City Recorder attests the applicable City signature (which date shall be the recordation date).

RECITALS

- 1. Contractor desires to provide a culinary incubator kitchen ("CIK") for City.
- 2. City desires to engage Contractor for such services and will initially have City's Sustainability Division oversee and manage this Agreement for such services.

AGREEMENT

In consideration of the promises and covenants hereinafter contained, the parties agree as follows:

1. Contractor shall provide a culinary incubator kitchen ("CIK") for City as described in Exhibit "A" for an initial term of two (2) years commencing as of the date of this Agreement. City may extend this Agreement for three (3) additional one-year terms, renewable on an annual basis, under the same terms and conditions. Notice of term extensions shall be in writing served upon Contractor by regular mail at least thirty (30) days before the expiration of the original term of this Agreement, or any renewal term, in order for such extension to be effective. After all annual term extensions have been exercised, City shall have the right to extend this Agreement for an additional term of up to four (4) months by giving Contractor written notice at least ten (10) days before the expiration of the last annual extension, provided, however, that City may terminate such additional term by giving Contractor at least five (5) days prior written notice of such termination. This is a non-exclusive contract and City reserves the right to acquire the services or equipment, at its discretion, from other sources during the term of this Agreement. All financial commitments by City shall be subject to the appropriation of funds approved by the City Council and the limitations on future budget commitments provided under applicable Utah law, including the Utah Constitution.

City, Contractor shall be paid as specified under Exhibit "B" (Price Schedule).

- 3. For such consideration, Contractor shall furnish all materials, supervision, labor, and equipment to complete the requirements of this Agreement.
 - 4. The following insurance requirements apply to this Agreement:

A. GENERAL INSURANCE REQUIREMENTS FOR ALL

POLICIES.

- (1) Any insurance coverage required herein that is written on a "claims made" form rather than on an "occurrence" form shall (i) provide full prior acts coverage or have a retroactive date effective before the date of this Agreement, and (ii) be maintained for a period of at least three (3) years following the end of the term of this Agreement or contain a comparable "extended discovery" clause. Evidence of current extended discovery coverage and the purchase options available upon policy termination shall be provided to City.
- (2) All policies of insurance shall be issued by insurance companies licensed to do business in the state of Utah and either:
 - (a) Currently rated A- or better by A.M. Best

Company;

--OR---

- (b) Listed in the United States Treasury Department's current *Listing of Approved Sureties (Department Circular 570), as amended.*
- (3) Contractor shall furnish certificates of insurance, acceptable to City, verifying the foregoing matters concurrent with the execution hereof and thereafter as required.
- (4) In the event any work is subcontracted, Contractor shall require its subcontractor, at no cost to City, to secure and maintain all minimum insurance coverages required of Contractor hereunder.
- (5) Contractor shall provide written notice to City of any modification or cancellation of any insurance policy required by this Agreement at least thirty (30) days before the effective date of such policy modification or cancellation.
- B. <u>REQUIRED INSURANCE POLICIES</u>. Contractor, at its own cost, shall secure and maintain during the term of this Agreement, including all renewal terms, the following minimum insurance coverage:

(Note: Unless other limits, types of insurance, or terms are agreed to by the City Attorney's Office, the following are the insurance requirements that will be required for this Agreement.)

(1) Worker's compensation and employer's liability insurance sufficient to cover all of Contractor's employees pursuant to Utah law. In the event any work is subcontracted, Contractor shall require its subcontractor(s) similarly to provide worker's

compensation insurance for all of the latter's employees, unless a waiver of coverage is allowed and acquired pursuant to Utah law.

(2) Commercial general liability (CGL) insurance with City as an additional insured, in the minimum amount of \$1,000,000 per occurrence with a \$2,000,000 general aggregate and \$2,000,000 products and completed operations aggregate. These limits can be covered either under a CGL insurance policy alone, or a combination of a CGL insurance policy and an umbrella insurance policy and/or a CGL insurance policy and an excess insurance policy. The policy shall protect City, Contractor, and any subcontractor from claims for damages for personal injury, including accidental death, and from claims for property damage that may arise from Contractor's operations under this Agreement, whether performed by Contractor itself, any subcontractor, or anyone directly or indirectly employed by either of them. Such insurance shall provide coverage for premises operations, acts of independent contractors, products and completed operations.

(3) Commercial automobile liability insurance that provides coverage for owned, hired, and non-owned automobiles used in connection with this Agreement in the minimum amount of a combined single limit of \$1,000,000 per occurrence or \$500,000 liability per person, \$1,000,000 liability per occurrence, and \$250,000 property damage. These limits can be reached either with a commercial automobile liability insurance policy alone, or with a combination of a commercial automobile liability insurance policy and an umbrella insurance policy and/or a commercial automobile liability insurance policy and an excess insurance policy. If the policy only covers certain vehicles or types of vehicles, such as scheduled autos or only hired and non-owned autos, Contractor shall only use those vehicles that are covered by its policy in connection with any work performed under this Agreement.

—OR IF THERE WILL NOT BE ANY VEHICLE OPERATIONS—

- (3) Contractor shall not operate a vehicle in connection with any services rendered under this Agreement. Inasmuch as Contractor agrees not to operate a vehicle in connection with services rendered under this Agreement, City shall not require Contractor to provide commercial automobile liability insurance.
- 5. Contractor shall obey all federal, state, county, and municipal laws, ordinances, regulations, and rules applicable to its operations. Said laws include, but are not limited to, the Equal Employment Opportunity laws, the Fair Labor Standards Act, Occupational Safety & Health Administration (OSHA) laws, Family Medical Leave Act (FMLA), the Americans with Disabilities Act (ADA), and the Utah Immigration Accountability and Enforcement Act. Any violation of applicable law shall constitute a breach of this Agreement and Contractor shall hold City harmless from any and all liability arising out of, or in connection with, said violations including any attorney's fees and costs incurred by City as a result of such violation.
- 6. City may cancel this Agreement for any reason, and without any liability therefore, upon giving Contractor 30 days prior written notice. Such notice shall be sent to the last known address of Contractor.
- 7. City may, without prejudice to any right or remedy, and without the necessity of giving the 30 day notice provided in paragraph 6 above, terminate this Agreement for cause in the event Contractor fails to fulfill, in a timely or satisfactory manner, any of the terms and conditions set forth in this Agreement and fails to cure such failure within seven days after written notice from City of such failure.

- 8. If this Agreement is canceled or terminated as provided herein, City shall pay Contractor on the basis of actual services satisfactorily performed as calculated by City.
- 9. Contractor, for itself, its successors and assigns, as part of the consideration herefore, covenants that no person, solely on the grounds of race, color, national origin, age, sex, religion, or non-job related disability, shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the furnishing of services hereunder, unless the characteristic is a bona fide occupational qualification.
- 10. Contractor shall indemnify, save harmless, and defend City, its officers and employees, from and against all losses, claims, demands, actions, damages, costs, charges, and causes of action of every kind or character, including attorney's fees, arising out of Contractor's intentionally wrongful, reckless, or negligent performance hereunder. Contractor's duty to defend City shall exist regardless of whether City or Contractor may ultimately be found to be liable for anyone's negligence or other conduct. If City's tender of defense, based upon this indemnity provision, is rejected by Contractor, and Contractor is later found by a court of competent jurisdiction to have been required to indemnify City, then in addition to any other remedies City may have, Contractor shall pay City's reasonable costs, expenses, and attorney's fees incurred in proving such indemnification, defending itself, or enforcing this provision. Nothing herein shall be construed to require Contractor to indemnify the indemnitee against the indemnitee's own negligence.

11. REPRESENTATION REGARDING ETHICAL STANDARDS FOR CITY OFFICERS AND EMPLOYEES AND FORMER CITY OFFICERS AND

EMPLOYEES. Contractor represents that it has not: (1) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (3) knowingly breached any of the ethical standards set forth in City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (4) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

12. GOVERNMENT RECORDS ACCESS AND MANAGEMENT ACT.

City is subject to the requirements of the Government Records Access and Management Act, Chapter 2, Title 63G, Utah Code Annotated or its successor ("GRAMA"). All materials submitted by Contractor pursuant to this Agreement are subject to disclosure unless such materials are exempt from disclosure pursuant to GRAMA. The burden of claiming an exemption from disclosure shall rest solely with Contractor. Any materials for which Contractor claims a privilege from disclosure shall be submitted marked as "Business Confidential" and accompanied by a concise statement of reasons supporting Contractor's claim of business confidentiality. City will make reasonable efforts to notify Contractor of any requests made for disclosure of documents submitted under a claim of business confidentiality. Contractor may, at Contractor's sole expense, take any appropriate actions to prevent disclosure of such material. Contractor specifically waives any claims against City related to disclosure of any materials required by GRAMA.

- 13. Contractor is not an employee of City for any purpose whatsoever. Contractor is an independent contractor at all times during the performance of the services specified herein.
 - 14. All notices shall be directed to the following addresses:

City: Salt Lake City Corporation
Attn.: Bridget Stuchly

(For U.S. Postal Service delivery)

P.O. Box 145467

Salt Lake City, UT 84114-5467

-OR-

(For hand delivery or express courier delivery)

451 South State Street, Room 145

Salt Lake City, UT 84111

Contractor: Ø Attention:

- 15. This Agreement may be assigned by either party but only with the prior written consent of the other party.
- 16. Contractor's obligations are solely to City and City's obligations are solely to Contractor. This Agreement shall confer no third party rights whatsoever.
- 17. This Agreement embodies the entire Agreement between the parties relating to the subject matter of this Agreement and shall not be altered except in writing signed by both an authorized representative of Contractor and by City's Mayor or the Mayor's designee. The terms of this Agreement shall supersede any additional or conflicting terms or provisions that may be set forth or printed on Contractor's work plans, cost estimate forms, receiving tickets, invoices, or any other related standard forms or documents of Contractor that may subsequently be used to implement, record, or invoice services hereunder from time to time, even if such standard forms or documents have been signed or initialed by a representative of City. The intent of the parties is that the terms of this Agreement shall prevail in any dispute between the terms of this Agreement and the terms printed on any such standard forms or documents, and such standard forms or documents shall not be considered written amendments of this Agreement.

	18.	This Agreement shall be enforced in and governed by the laws of the state
of Utah.		

The parties are signing this Agreement as of the date stated in the introductory clause.

SALT LAKE CITY CORPORATION

		Ву	
ATTEST AND COUNTERSIG	GN:	Title	
City Recorder	Recorded Da	 ute	
APPROVED AS TO FORM:			
Senior City Attorney		Ø	
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State of)		
County of	:ss)		
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EXHIBIT "A"

SCOPE OF WORK

CULINARY INCUBATOR KITCHEN

I. GENERAL

A. Contractor, if doing business under an assumed name, i.e. an individual, association, partnership, corporation, or otherwise, shall be registered with the Utah State Division of Corporations and Commercial Code.

NOTE: Forms and information on how to get registered may be obtained by calling (801) 530-4849 or by accessing www.commerce.state.ut.us.

- B. Contractor shall assume full responsibility for damage to City property caused by Contractor's employees or equipment as determined by designated City personnel.
- C. Contractor shall be solely responsible for the safety of Contractor's employees and others relative to Contractor's work, work procedures, material, equipment, transportation, signage, and related activities and equipment.
- D. Contractor shall possess and keep in force all licenses and permits required to perform services under this Agreement.
- E. No guarantee of the actual service requirement is implied or expressed by this Agreement. Service requirements shall be determined by actual need.

II. RESPONSIBILITIES OF CONTRACTOR

Contractor shall provide, operate, and manage a CIK for City's Sustainability Division that may be used by people or entities ("CIK Users") to produce food products as part of a process of developing the resources and knowledge necessary for the CIK Users to ultimately open cafes, restaurants, or other culinary ventures in Salt Lake City. In addition to use of the CIK kitchen facilities, Contractor shall provide business and regulatory advice and training to the CIK Users regarding how to start and operate their own business. Contractor shall publicize the CIK and shall recruit CIK Users to utilize the CIK. Contractor may charge CIK Users fees as described herein for the various services it provides to the CIK Users. The responsibilities of Contractor include, but shall not be limited to, the following.

TO BE DETERMINED BASED ON THE PROPOSAL SELECTED

EXHIBIT "B"

CONTRIBUTION AND PRICE SCHEDULE

CULINARY INCUBATOR KITCHEN

I. GENERAL

- A. Prices stated include all costs associated with the performance of the services specified, including materials, supervision, labor, insurance, transportation, delivery, fuel or other surcharges, demurrage, and related costs. No other charges shall be allowed. All prices and fees are stated in U.S. dollars.
- B. City is exempt from sales, use, and federal excise taxes on these products and services. Exemption certificates shall be furnished upon request.
- C. Prices set forth in Section III below that are to be charged to CIK Users for CIK services shall be firm for the initial 2-year term of this Agreement. Requests for price adjustment thereafter shall follow the requirements specified in Section IV, Option Renewal Period Price Adjustment.

II. CITY CONTRIBUTION

City shall provide up to \$350,000.00 that will be paid to Contractor under the following terms:

TO BE DETERMINED BASED ON THE PROPOSAL SELECTED

A.

III. PRICING OF CIK SERVICES

TO BE DETERMINED BASED ON THE PROPOSAL SELECTED

A.

IV. OPTION RENEWAL PERIOD PRICE ADJUSTMENT FOR CIK SERVICES.

Prices charged to CIK Users for CIK services stated in Section III shall be firm for the initial 2-year term of this Agreement and thereafter, unless and until changed as provided herein. Contractor must obtain written City approval of any increase in prices charge to the CIK Users. No more than one price change per year may be requested, with the first increase to occur no earlier than the second anniversary date of this Agreement. Any request for a price adjustment shall be made to City before such two-year anniversary or the beginning date of any subsequent contract renewal period. Contractor may calculate and make a written request to City that the prices for the next renewal year be increased by the lesser of three percent (3%) or the percentage increase, if any, in the latest published Consumer Price Index, All Urban Consumers (CPI-U), "US City Average"

published by the Bureau of Labor Statistics of the US Federal Government for the most recent twelve (12) month period, and City shall respond to such request. If publication of said CPI index should cease, such percentage increase shall be determined by reference to a similar index, or as agreed upon by the parties. Contractor shall send all requests for price adjustment to the City Contracts Administrator at the address listed in Section 14 (Notices) of this Agreement.

V. <u>INVOICING AND PAYMENT</u>

City shall pay its contribution amounts to Contractor as provided in Section II above. Contractor shall submit a written invoice for each agreed upon contribution amount, in duplicate, and City shall pay the invoiced fee within thirty (30) days after receipt of the invoice by City. Contractor shall list the City contract number on all invoices, quotes, correspondence, and documentation relating to this Agreement.

Invoices shall be submitted to: Salt Lake City Corporation

Attn.: Bridget Stuchly P.O. Box 145467

Salt Lake City, UT 84114-5467

RFP. No.



Attachment 4 Salt Lake City Culinary Kitchen Business Incubator Study

Feasibility Study

Attachment 4 is attached as a separate PDF document entitled: ES007_SLC CIK Feasibility Study.

The study document in such PDF file is entitled "Salt Lake City Culinary Kitchen Business Incubator Study" and is dated July 2013.

HB_ATTY-#42146-v1-RFP_Application_Culinary_Incubator_Kitchen_(CIK)_2014