

FREQUENTLY ASKED QUESTIONS

General

What is BLDC's role in the redevelopment of Ships Wharf?

BLDC is a private company formed in 1996 to manage and maintain approximately 400 acres of land, along with a portfolio of buildings, previously occupied by US/Canadian military bases: Southside, Daniel's Head, Tudor Hill and Morgan's Point. To successfully reintegrate these sites into our social and economic fabric, BLDC continues to seek opportunities for local and international companies to invest in development projects that benefit Bermuda for the long-term. These redevelopment efforts will provide economic growth, infrastructure improvements, and job opportunities for Bermudians.

How did BLDC decide that a cargo port and energy production facility were the best potential uses of the Ships Wharf location?

BLDC invited the local community to submit ideas through an Expression of Interest (EOI) process designed to elicit innovative and imaginative development approaches that contribute to Bermuda's long-term growth. In 2014, BLDC issued an Expression of Interest for the development of the Ships Wharf location. Twenty-four (24) interested parties registered and eight (8) submissions were made. Three (3) of those companies presented to a BLDC committee who determined that the ideas with the greatest potential benefit to Bermuda's future included a cargo port with the opportunity for international use, and an energy production facility to address our island's urgent infrastructure needs. The RFQ (Request for Qualifications) process will provide opportunities to explore the feasibility of these ideas further.

How will the Ships Wharf projects benefit the local community?

BLDC anticipates that both projects will generate short-term jobs throughout the construction phase and create opportunities for Bermudian labour, subcontractors and suppliers. Once construction is complete, there will be opportunities for long-term jobs at the cargo port and energy production facility. Development opportunities of this magnitude may also create demand for support services in the surrounding area such as restaurants, retail, warehouse and office space, land & sea transportation services, and other support businesses.

Why pursue the redevelopment of the Ships Wharf now?

It is an exciting time to invest in Bermuda's future. Local and global economies are growing, providing the opportunity to put available land to good use and revitalise Bermuda's East End. Infrastructure projects are long-term investments that increase labour market opportunities through job creation and small business development and could help expand Bermuda's economic base beyond international business and tourism.

Will BLDC own the proposed new developments?

No. BLDC leases the land. Investors will be expected to design, build, finance, operate and maintain the development projects, and will become tenants of BLDC.

Will the planned project affect traffic, present health risks, impact our ocean environment, or generate noise, dust or smells in the surrounding community?

All development proposals will undergo a full environmental impact assessment with the objective of selecting an option that minimizes any negative impact, especially in the areas surrounding Ships Wharf.

How will BLDC engage the community, and specifically East End residents and current tenants, throughout the redevelopment process?

BLDC encourages all members of the community to participate in dialogues and provide input on the upcoming projects through community engagement sessions and other discussions to be scheduled in the coming months. BLDC is committed to open transparent, timely and useful communications with all sectors of the economy, including residents, businesses and other interested groups.

Residents will be consulted regarding possible impacts from both redevelopment projects and BLDC will also meet with current tenants to discuss possible impacts to their operations, including transitions and future opportunities during the redevelopment process.

What is involved in the Request for Qualifications (RFQ) process?

An RFQ is a standard business practice that refers to the pre-qualification stage in the formal process of procuring a product, service or other development opportunity. Separate RFQs for an energy production facility and cargo port will allow BLDC to evaluate the qualifications of potential local and international partners in the redevelopment of Ships Wharf, and shortlist developers who will be invited to submit innovative infrastructure proposals through the Request for Proposal (RFP) process later this year. Questions about the RFQ should be emailed to info@bldc.bm.

Who is eligible to respond to the Ships Wharf RFQs?

BLDC invites any local and international companies interested in exploring investment opportunities that benefit Bermuda to participate in one or both RFQ processes. Qualified applicants will be expected to design, build, finance, operate and maintain either a new cargo port or an energy production facility. As part of the evaluation process, international investors who partner with or utilize the services of local firms will receive consideration according to the standardized evaluation process.

Employees of BLDC and any Bermuda Government public officer at the level of Permanent Secretary or higher are ineligible to participate in the RFQ processes, as such submissions would be considered a conflict of interest.

How will BLDC ensure that the RFQ processes for both projects are fair?

RFQ submissions for both projects will be reviewed by an Evaluation Committee comprised of four BLDC members, a representative from the Department of Energy and an independent accountant. The committee will be supported by law firm Gowling WLG, and Onsite Engineering, who will provide technical expertise.

All applicants are prohibited from contacting BLDC members or consultants, or any members of the Bermuda Government to discuss the redevelopment projects. Any attempt to do so will result in disqualification from the RFQ process.

Energy Production Facility

How will an energy production facility benefit Bermuda?

Bermuda's infrastructure is operating nearing the end of its life cycle, and energy consumption is expected to increase over the next 20 years. More energy is required to improve stability and reliability during times of peak demand and emergency situations. A new facility introduces possibilities for renewable energy solutions that support and protect Bermuda's environment, while reducing reliance on imported fuels, and potentially encouraging the increased use of electric cars in Bermuda. It may also help to reduce the high cost of electricity, thereby lowering the cost of living for Bermuda residents.

What types of energy are being considered?

BLDC will consider all forms of energy generation proposed by potential developers, and will assess anticipated environmental impacts as part of the RFQ process. The RFQ and RFP processes both provide BLDC with the opportunity to help Bermuda explore ways to

reduce the cost of electricity, and investigate reliable and sustainable energy using modern technology and cost-effective resources.

How much energy is the facility expected to produce?

The proposed energy production facility will be expected to generate a minimum of 20 megawatts of electricity for Bermuda's power grid. As of April 2017, Bermuda's current capacity was 160 megawatts.

Has BLDC consulted the Regulatory Authority and Department of Energy?

Yes. BLDC has been working closely with both to understand the current and future energy needs of Bermuda. The Department of Energy will have a presence on the RFQ Evaluation Committee.

Has BLDC consulted with BELCO regarding the energy production facility?

No. Other than providing the necessary specs of the existing power grid for the purposes of developing the RFQ, BELCO has not been consulted. Since BELCO can submit a response to the RFQ like any other local or international investor, BLDC has been very careful to preserve the fairness of the process.

Are environmental organisations, such as Greenrock or BEST, being consulted?

Yes. The various environmental organisations will be consulted on the proposed developments as a part of BLDC's Community Engagement Process.

Will an energy production facility be an eyesore in the East End?

The redevelopment process, including submission of qualifications and proposals, requires all applicants to consider design and aesthetics. As a part of BLDC's Community Engagement Process, the surrounding community will also have the opportunity to provide input at the appropriate time.

Cargo Port

How will a new cargo port at Ships Wharf benefit Bermuda?

A new cargo port would increase Bermuda's current capacity and possibly facilitate diversification into Atlantic transshipping and other services, such as fish processing. The Ships Wharf location could also accommodate bonded warehouses that would facilitate the breakdown of containerized goods at the port, enabling them to be transported in smaller vehicles on Bermuda's roads.

Will a cargo port create additional traffic and congestion in the area?

All development proposals will undergo a full environmental impact assessment with the objective of selecting an option that minimizes any negative impact, especially in the areas surrounding Ships Wharf.

Have you consulted with Stevedoring Services?

No. Since Stevedoring Services Ltd. is eligible to submit a response to the RFQ like any other local or international investor, BLDC has been very careful to preserve the fairness of the process.

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