



**District of
North Saanich**

STAFF REPORT

To: Tim Tanton
Chief Administrative Officer

Date: March 11, 2019

From: Eymond Toupin
Director of Infrastructure Services

Anne Berry
Director Planning & Community
Services

Re: Sandown Agricultural Lands – Request for Expressions of Interest

RECOMMENDATION:

That Council direct staff to proceed with the RFEI process as outlined in the staff report.

BACKGROUND:

At the October 22, 2018 meeting, Council adopted the following resolution.

622 *That Council direct staff to report back with advice for Council decision making regarding the long-term use of the property, including a Request for Expressions of Interest and recommended terms for a lease agreement.*

PROPOSED TERMS FOR RFEI:

Staff has developed a draft RFEI document for the District to solicit expressions of interest for the long term use of the Sandown property.

The following is a summary of the proposed terms to be included in the RFEI:

1. The District's Vision for the Sandown Agricultural Lands

The District's vision for the Sandown Agricultural Lands is for the lands to become a key regional contributor in sustainable food production, respecting and working with natural ecosystems and building stronger and healthier communities. To achieve this vision, the District is guided by the following:

- (a) Developing the Sandown Agricultural Lands for commercial farming, community food growing, and field-based teaching and learning with partnerships and community involvement being an important part of the success.
- (b) Making food production the ultimate primary focus of the Sandown Agricultural Lands.
- (c) Implementing agricultural practices and additional measures to enhance the quality of soil of the Sandown Agricultural Lands.

The District is open to any proposals that further some or all of these objectives and are consistent with the agricultural land status of the Sandown Agricultural Lands.

2. Applications from Interested Parties

The District is seeking applications from interested parties to design, develop, operate and finance agricultural uses for the Sandown agricultural lands in a manner that is consistent with the District's vision for the Sandown Agricultural Lands.

The District invites Applicants to provide details of proposals for the Sandown Agricultural Lands that are consistent with the agricultural land status of the Sandown Agricultural Lands and the District's vision for the Sandown Agricultural Lands. The District anticipates partnering with the Operator to help ensure the success of the Operations and anticipates that commencement of the Operations will begin in the Fall of 2019. Applicants with demonstrated experience in agriculture, agricultural business and community activities related to agriculture are invited to respond.

3. Scope of Operations

The District expects that the Operations will involve some or all of the following:

- (a) Development of the Sandown Agricultural Lands in accordance with applicable zoning conditions and plans approved by the District and in compliance with Agricultural Land Commission (ALC) regulations;
- (b) Partnering with the District on matters such as servicing, amenities, approvals and other matters under a partnering agreement in accordance with section 21 of the Community Charter;
- (c) Management and farming of the Sandown Agricultural Lands in a manner that is consistent with the District's vision for the Sandown Agricultural Lands;
- (d) Development of the Sandown Agricultural Lands for a variety of agricultural uses that are consistent with the District's vision for the Sandown Agricultural Lands;
- (e) Responsibility for the management of leases to farmers who will farm the Sandown Agricultural Lands;
- (f) Responsibility for community partnerships with those community organizations that wish to use the Sandown Agricultural Lands for their agricultural-based community activities; and
- (g) ensuring that the Operations are financially viable.

The District anticipates that the full scope of the Operations will be detailed in a partnering agreement between the Operator and the District under s. 21 of the Community Charter (BC). It is anticipated that the partnering agreement will provide for 5-year term commencing by October, 2019, with an option for renewal.

4. Principles for Operations

In addition to the District's vision and desirables described above, the Operations will be guided by the following principles. It is expected that all aspects of the Operations will align as much as possible with these principles.

- (a) quality – provide quality work;
- (b) risk management – minimize risk and liability exposure to the District and the general public; and
- (c) innovation – develop and apply creative solutions to achieve sustainable design, construction, ownership, financing and operation.

5. Evaluation Criteria and Process

The District will determine if each Applicant either has the capability of delivering the Operations in accordance with the requirements set out in this RFEI and/or offers an innovative solution that the District would consider for the Sandown Agricultural Lands and the Operations.

The District will consider the following criteria when evaluating Applicants' responses:

- (a) alignment with the District's community vision;
- (b) alignment with the District's project principles;
- (c) Applicant's experience with projects similar to the proposed Operations and with the scope of Operations;
- (d) Applicant's financial ability to undertake the Operations and carry out the work;
- (e) Applicant's ability to commence and undertake the Operations in accordance with the timelines; and
- (f) likelihood of achieving or exceeding the scope of Operations.

6. RFEI Process

This RFEI is an invitation for each Applicant to provide their project Application to the District.

It is proposed the release of the RFEI would involve the following activities:

- The RFEI document be posted to the BC Bid website for a period of one month;
- Information about the process and how to bid would be provided on the District's website;
- There would be a media release on the process and key dates and deadlines;
- The opportunity would be advertised in the Peninsula News Review; and
- The Peninsula and Area Agricultural Commission (PAAC) would be notified of the RFEI to share with its members;

After the deadline for responses, staff would review and evaluate Applications to identify qualified Applicants for further consideration and may request Applicants to clarify information provided in their Applications. Staff would present the applications to Council and provide guidance on options for next steps.

Subsequent steps could involve short listing and approaching interested parties to submit detailed proposals or entering into negotiations with one or more of the parties. At no point would the District be obligated to select or enter into an agreement with any of the parties. However, if the process is successful, the ultimate objective would be to enter into a binding agreement with one of the short-listed applicants.

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FINANCIAL IMPLICATIONS:

Costs to advertise the RFEI would be incurred. Legal costs may also be incurred in reviewing proposals and preparing agreements with the successful proponents. Costs associated with these activities have been included in the 2019 Operating Budget and would be drawn from the Agricultural Reserve.

CONCLUSION:

At the direction of Council, staff advanced the development of an RFEI for a long term operator for the Sandown Agricultural Lands. The RFEI includes a set of broad criteria meeting the District's objectives for the site with the aim to attract a wide range of submissions. The District would then have the ability to short-list and invite more detailed proposals and/or begin negotiations with one of more of the parties but no legal obligation is placed on the District.

RECOMMENDATION:

That Council direct staff to proceed with the RFEI process as outlined in the staff report.

Respectfully submitted:

Concurrence,


 Eymond Toupin
 Director Infrastructure Services


 Tim Tanton
 Chief Administrative Officer


 Anne Berry
 Director Planning and Community Services

Concurrence:


 Curt Kingsley, Director Corporate Services


 Stephanie Munro, Director Financial Services