



District of
North Saanich

STAFF REPORT

To: Mayor and Council

Date: August 13, 2019

From: Tim Tanton
Chief Administrative Officer

Re: **Sandown Agricultural Lands – Long Term Operator Evaluation Criteria**

RECOMMENDATION:

That Council:

- 1) Receive this report for information; and
- 2) Direct staff to use the evaluation criteria proposed in this report to assess the submissions for long term operation of the Sandown Agricultural Lands

BACKGROUND:

At the July 17th Regular Meeting, Council received the CAO's report, Sandown Long-Term Site Management and Next Steps, and directed staff to proceed as outlined in the report.

273 That Council receive this report and direct staff to proceed as outlined.

In the report, it was proposed that staff bring a report to the August 19th meeting to facilitate the discussion of evaluation criteria for the assessment of various long term operations options for the Sandown Agricultural Lands. This report provides draft evaluation criteria for Council's consideration.

DISCUSSION:

The Request for Expressions of Interest (attached) lists the following criteria for evaluating Applicants' responses:

- (a) alignment with the District's community vision set out in section 1.4 of this RFEI;
- (b) alignment with the District's project principles set out in section 2.4 of this RFEI;
- (c) Applicant's experience with projects similar to the proposed Operations and with the scope of Operations set out in section 2.3 of this RFEI;
- (d) Applicant's financial ability to undertake the Operations and carry out the work set out in section 2.3 of this RFEI;
- (e) Applicant's ability to commence and undertake the Operations in accordance with the timelines set out in the RFEI; and
- (f) likelihood of achieving or exceeding the scope of Operations set out in section 2.3 of this RFEI.

The remainder of this report provides further detail of the above criteria, for consideration by Council. Staff propose four main categories of evaluation criteria.

1) **Alignment with District agricultural strategies**

The District has a number of strategies/objectives which have been formally adopted with respect to agriculture in the municipality. These are documented in the **Strategic Plan**, the **Whole Community Agricultural Strategy (WCAS)**, and in the **Official Community Plan (OCP)**. Although other documents have been generated and submitted to Council over time, such as Vision Sandown (CRFAIR) and the Sandown Transition Team Report, recommendations in these reports have not been formally endorsed by Council.

The purpose of this evaluation category would be to assess the strength of the alignment of a proposal with the above three documents.

Excerpts from the OCP and WCAS which may be of relevance to the evaluation criteria are included below:

OCP Section 5.0 AGRICULTURE Preamble

Retaining the viability of these lands is important in terms of providing local food security and economic diversity, but also in terms of preserving valuable rural landscapes for the community. Since support of agricultural activities and land uses is a primary goal of the Plan, policies in this section are aimed at preserving the land base for current and potential agriculture, ensuring that agricultural potential of farmland is not diminished by placement of utilities, public works facilities or community facilities, and reducing potential conflicts with non-farm uses.

Policies

- 5.2** *The District does not support any commercial or non-agricultural development on land located within the Agricultural Land Reserve unless it meets the rural philosophy of North Saanich and is approved by the Agricultural Land Commission.*
- 5.14** *To ensure the sustainability of the District's farm community as an integral part of agriculture on the Saanich Peninsula, agricultural activities, ancillary agriculture uses such as agri-tourism and the uses outlined in the Agricultural Land Commission Act Regulation 171/2002 Section 2(1) are encouraged on lands in the ALR.*
- 5.18** *Those lands identified as "Special Agriculture" on Schedule B are dedicated to agricultural purposes. These lands were gifted to the District of North Saanich by the previous owners of the Sandown Racetrack to be a community legacy for the purpose of agriculture. The uses may include, for example, traditional agriculture, community gardens, agricultural research and practices education, farm markets or other agricultural/farm uses.*

WCAS

1. Municipal Actions to Support Agricultural Land Base

Support the provision of services that link available farm land with farmers seeking land.

Prohibit estate houses and other non-farm uses of farmland.

2. Municipal Actions to Support Agricultural Marketing

Support the connection of agricultural producers, processors and wholesalers.

Provide a site and/or facilitate the establishment of a permanent farmer's market

Support the establishment of a centralized food hub (farm aggregation, processing, distribution centre).

9. Municipal Actions to Address Environmental and Climate Change Challenges

Provide more tree and hedgerow plantings.

Plant food producing plans on public lands and pursue a location for a public orchard.

Provide a community 'hot composting' facility

2) Viability of the Proposal

This category of criteria relates to the feasibility of the plans proposed for the site. This would include an assessment of the following items:

- **Financial/business plan:** confirm the revenue and cost streams are accurate, realistic and sustainable over time.
- **Schedule:** confirm activities, agricultural production and development are realistic and take into account constraints to development/growth of activities on the site.
- **Regulatory requirements:** assess the potential regulatory impacts of proposed activities on the site, i.e. identify activities which may not be permitted or which will require additional permits/approvals from various agencies.
- **Soil rehabilitation:** assess the strength and effectiveness of the proposal in continuing the process of rehabilitating and improving the productivity of the agricultural soils. Specifically, the amount of resources (materials, people, labour, etc.) applied by the proponent in on-going improvement of the soils on site.

3) Qualification/experience of the Team

This category evaluates the qualification and experience of the team members committed to the project in:

- **Managing an agricultural enterprise:** demonstrated success managing an enterprise of the size and scale required for the site, experience managing an organization (profit or non-profit) proposed for the site, demonstrated previous experience working in collaboration with the proposed team members on similar/relevant projects, existence and maturity of the organization proposed to manage the operation.

- **Farming operation experience** for the agricultural activities required for the site.
- **Education and training** of the key team members relevant to the knowledge required for the various functions required on the team.
- **Financial Capacity of Team** needs to be adequate to fund proposed activities.

4) Costs to the District

This category evaluates the various cost impacts to the District which include, but are not limited to:

- **Financial support:** this includes direct operations and capital funding or grants from the District, and indirect funding in the form of below market lease rates, other opportunity costs, and tax exemptions.
- **In-kind support:** this includes District equipment, labour, and material resources directed to activities specified in the proposal.
- **Administrative support:** this would be intended to capture the amount of District administrative effort required to support the organization proposed as long term operator. This could include staff participation in any committees created to manage the site, processing support for permits/applications/requests for the site, etc.

OPTIONS:

Council can:

- 1) Receive this report for information; or
- 2) Direct staff to use the evaluation criteria proposed in this report to assess the submissions for long term operation of the Sandown Agricultural Lands; or
- 3) Direct staff to use one or more of the criteria proposed in this report with or without modification to assess submissions for long term operation of the Sandown Agricultural Lands; or
- 4) Propose additional or alternative evaluation criteria; or
- 5) Other

CONCLUSION:

At the direction of Council, staff developed a set of evaluation criteria to assess submissions for the long term operation of the Sandown Agricultural Lands. The four criteria proposed would assess alignment with District agricultural policies, viability of the proposal, qualifications/experience of the team, and costs to the District. Staff submits the following recommendation.

RECOMMENDATION:

That Council:

- 1) Receive this report for information; and
- 2) Direct staff to use the evaluation criteria proposed in this report to assess the submissions for long term operation of the Sandown Agricultural Lands

Respectfully submitted:



Tim Tanton
Chief Administrative Officer

Concurrence:



Anne Berry
Director Planning and Community Services



Eymond Toupin
Director Infrastructure Services

Attachment:

Appendix A – Request for Expressions of Interest

APPENDIX A



DISTRICT OF NORTH SAANICH

REQUEST FOR EXPRESSIONS OF INTEREST

LONG TERM OPERATOR FOR SANDOWN AGRICULTURAL LANDS

Expressions of interest ("Applications") should be addressed and delivered to the attention of the Director of Infrastructure Services, District of North Saanich Municipal Office, 1620 Mills Road, North Saanich, British Columbia, V8L 5S9 prior to 3 p.m. on August 30th, 2019 (the "Closing Date").

NOTES:

1. Applications should be in sealed envelopes or packages marked with the Applicant's Name and the Request of Expressions of Interest ("RFEI") Title: "Long Term Operator for Sandown Agricultural Lands".
2. There should be five hard copies of the Application in each sealed envelope or package.
3. The Municipal Office is open Monday to Friday, between 8:00 a.m. and 4:30 p.m. The Municipal Office is closed on Saturdays, Sundays and statutory holidays.
4. DO NOT SUBMIT **APPLICATIONS** BY FAX OR ELECTRONIC MAIL.
5. **QUESTIONS** may be submitted by email before August 27th, 2019. All questions related to this RFEI should be submitted in writing to the attention of:

Director of Infrastructure Services
E-mail: admin@northsaanich.ca

North Saanich – Long Term Operator for Sandown Agricultural Lands

INSTRUCTIONS TO APPLICANTS

1. BACKGROUND INFORMATION

1.1 Introduction to the District of North Saanich

The District of North Saanich (the “**District**”) is located at the north end of the Saanich Peninsula approximately 25 kilometers north of Victoria, British Columbia on southern Vancouver Island. The District is surrounded on three sides by 40 kilometers of ocean shoreline and is home to the Victoria International Airport and the Swartz Bay Ferry Terminal. This area historically emerged from several coastal focal points inward to the interior of the Peninsula. Today, the community-like neighbourhoods which include Ardmore, Deep Cove, Curteis Point, Cloake Hill/Green Park, Dean Park and the South East Quadrant are on the periphery of a rich agricultural interior which is protected by the Provincial Agricultural Land Reserve. Agriculture is very important to the District, as evidenced in the number of farms, and road side produce and flower stands.

1.2 The Sandown Agricultural Lands

In November 2017, the District advanced a key priority in its Whole Community Agricultural Strategy by taking ownership of the reclaimed agricultural portion of the Sandown Raceway property (the “**Sandown Agricultural Lands**”) to ensure its future for local food production. Initiated in 2011, the land transfer was a complex process, needing approval from the Agricultural Land Commission (“**ALC**”). A key condition required by the ALC was the development and implementation of a site drainage and agricultural reclamation plan for the Sandown Agricultural Lands. That plan has now been mostly implemented and the Sandown Agricultural Lands are now undergoing some important changes to transform it from its days as a racetrack to a new community farm. The Sandown Agricultural Lands are located just west of Sidney, off the Patricia Bay Highway. Transforming the Sandown Agricultural Lands from a racetrack into active food lands and natural ecosystems will take planning and dedicated effort, but the future is clearly green. The Whole Community Agricultural Strategy is available on the District’s website. A map of the Sandown Agricultural Lands is attached as Schedule A to this RFEI. The Agricultural Reclamation and Drainage Plan and the Summary or Reclamation Activities for Sandown are also available and will be provided by request.

1.3 The Sandown Transition Team

As part of the transition of the Sandown Agricultural Lands to a green, agricultural-based future, the District engaged the Sandown Transition Team to build on the recommendations from the Capital Region Food and Agriculture Initiatives Roundtable (CRFAIR) 2016 report, Vision Sandown: What We Heard which summarized engagement with over 500 community members on the future of the Sandown Agricultural Lands site. The Sandown Transition Team published a proposed transition plan. Council has received this report but has not endorsed any particular aspect or component of the proposed plan. The objective of this RFEI is to seek out interested parties and proposals for the land. Both the Vision Sandown and the Sandown Transition Team reports can be viewed on the District’s website.

1.4 The District’s Vision for the Sandown Agricultural Lands

The District’s vision for the Sandown Agricultural Lands is for the Sandown Agricultural Lands to become a key regional player 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:

North Saanich – Long Term Operator for Sandown Agricultural Lands

- (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 Lands.

The District is open to any proposals that further some or all of these objectives or that are related to the agricultural land status of the Sandown Agricultural Lands and the District's vision for the Sandown Agricultural Lands.

2. REQUEST FOR EXPRESSIONS OF INTEREST

2.1 Applications from Interested Parties

The District is seeking detailed applications from interested parties ("**Applicants**") 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 successful Applicant (the "**Operator**") will oversee the development and operation of the Sandown Agricultural Lands to become a key regional player in sustainable food production while respecting and working with natural ecosystems and building stronger and healthier communities. The plan to design, develop, operate and finance agricultural uses for the Sandown Agricultural Lands (the "**Operations**") would need to be economically sustainable and could provide an economic return for the Operator. The District invites Applicants to provide details of any proposals they may have 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 could begin in the Fall of 2019. Applicants with demonstrated experience in agriculture, agricultural business and community activities related to agriculture are invited to respond.

2.2 Key Dates and Timeframes

Applicants should note the following key dates and timeframes:

Event	Dates
Last day for inquiries	Three (3) Business Days before Closing Date
Closing Date - Deadline for submission of Expressions of Interest	3:00 p.m., local time, August 30 th , 2019
Anticipated Commencement of Operations	October, 2019

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2.3 Scope of Operations

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

- (a) Designing and constructing the 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 also anticipated that the partnering agreement will provide for 5-year term commencing by October, 2019, with an option for renewal.

2.4 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;
- (c) innovation – develop and apply creative solutions to achieve sustainable design, construction, ownership, financing and operation; and

3. EVALUATION PROCESS AND POSSIBLE AGREEMENT WITH SUCCESSFUL APPLICANT

3.1 Evaluation Criteria and Process

The District will determine if each Applicant either (1) has the capability of delivering the Operations in accordance with the requirements set out in this RFEI and/or (2) 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 set out in section 1.4 of this RFEI;

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- (b) alignment with the District’s project principles set out in section 2.4 of this RFEI;
- (c) Applicant’s experience with projects similar to the proposed Operations and with the scope of Operations set out in section 2.3 of this RFEI;
- (d) Applicant’s financial ability to undertake the Operations and carry out the work set out in section 2.3 of this RFEI;
- (e) Applicant’s ability to commence and undertake the Operations in accordance with the timelines set out in section 1.7 of this RFEI; and
- (f) likelihood of achieving or exceeding the scope of Operations set out in section 2.3 of this RFEI.

3.2 RFEI Process

This RFEI is an invitation for each Applicant to provide their project Application to the District. This RFEI does not create any obligation or duty to Applicants that the District could breach, including under any evaluation process arising from or related to this RFEI.

All costs and expenses associated with the preparation and submission of the Application, including any costs incurred by the Applicant during the evaluation process, will be borne solely by the Applicant.

3.3 Stage One - Screening

The District will review and evaluate Applications to identify qualified Applicants for further consideration and may request Applicants to clarify information provided in their Applications.

3.4 Stage Two – Request for Proposals

Based upon the initial screening, the District may short-list a maximum of three Applicants (the “**Short-Listed Applicants**”) who will be approached to submit detailed proposals for review by the District.

3.5 Stage Three – Council Decision

The District may, at its discretion, in parallel with one or more Short-Listed Applicants, or in sequence, or in any combination, and may at any time terminate all or any one set of negotiations with the Short-Listed Applicants. Following the completion of negotiations, the District may, but is in no way obligated to, select one or more, or a team of, the Short-Listed Applicants and, if applicable, enter into a binding agreement with such Short-Listed Applicant.

3.6 No Obligation

Despite anything in this RFEI, including the submission of Applications by Applicants, the evaluation of Applications by the District, the subsequent negotiations or Request for Proposals, or any discussions or negotiations between the District and any one or more Applicants, the District is under no obligation whatsoever to award to any Applicant.

3.7 District’s Use of Applications

- (a) The Application, once submitted to the District, becomes the property of the District, and the District is under no obligation to return the Application. Subject to section 3.7(b), all

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right, title and interest in the Application, including any proposed ideas and solutions, are transferred to the District and the District will be free to use the Application without restriction or compensation.

- (b) Subject to section 3.7(a), all intellectual property rights in and to any patents, copyright, trade-marks and trade secrets owned by or licensed to the Applicant prior to its submission remain with the Applicant.

3.8 Third Party Consents

If applicable, each Applicant should obtain written consent from each individual, company, firm, partnership or other legal person before forwarding such personal or private information to the District. These written consents are to specify that the personal or private information may be forwarded to the District for the purpose of responding to this RFEI and may be used by the District for the purposes set out in this RFEI.

The District may, at any time, request the original consents or copies of the original consents from developers responding to this RFEI, and upon such request, the Applicant should be able to supply such originals or copies to the District.

3.9 RFEI Documents

- (a) This RFEI includes the following attachments:
 - Schedule A – Map of Sandown Agricultural Lands
 - Schedule B – Application Format
- (b) If the District issues any addenda to this RFEI, such addenda will form part of this RFEI.
- (c) It is the sole responsibility of the Applicant to check the District and BC Bid websites at:
 - <https://www.northsaanich.ca/>
 - <https://www.bcbid.gov.bc.ca/>
 regularly for amendments, addenda, and questions and answers related to this RFEI.
- (d) It is the sole responsibility of the Applicant to review all District's bylaws and policies applicable to the Operations and the Sandown Agricultural Lands.

4. COMMUNICATIONS

4.1 Inquiries by Applicants

- (a) All communications and questions in respect of the RFEI should be directed to the Director of Infrastructure Services. Inquiries should be in written form only, emailed to admin@northsaanich.ca before the deadline for inquiries set out in section 2.2. If required, an addendum will be posted on the District's website as noted in section 3.9.
- (b) Inquiries and responses will be recorded and distributed to all Applicants involved, at the District's discretion. Addenda to this RFEI may be issued and published on the District's website, at the District's discretion.

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- (c) Information obtained from any source other than as set out in section 4.1(a) of this RFEI is not official and must not be relied on.

5. SUBMISSION OF APPLICATIONS

5.1 Delivery

Applicants should submit five printed copies of the Application, in sealed envelopes, delivered either by hand or by courier to the address set out on the cover page of this RFEI. Applications should not be faxed or emailed.

The Applicant should set out its name and mailing address on the envelope and the envelope should be clearly marked "District of North Saanich – Long Term Operator for Sandown Agricultural Lands".

5.2 Late Applications

Applicants are strongly encouraged to submit their applications before 3 p.m. on the Closing Date. The District reserves the right to accept applications submitted after this time but is not obligated to do so.

5.3 Format of Application

Each Application should be in the format set out in Schedule B. All Applications should be submitted in English.

6. NO DUTY OR OBLIGATION ASSUMED BY DISTRICT

6.1 No Claim against the District

The Applicant acknowledges and agrees that the District will not be responsible for any costs, expenses, losses, damages or liabilities incurred or alleged to be incurred by the Applicant. Submission of an Application by an Applicant absolutely absolves the District of any and all liability whatsoever arising in any way directly or indirectly associated with this RFEI and RFEI process.

6.2 Reservation of Complete Control of Process

The District reserves the right to retain complete control over the RFEI process at all times. Without limitation, the District is not legally obligated to review, consider or evaluate Applications in accordance with the procedures set out in this RFEI and the District reserves the right to continue, interrupt, cease, or modify its review, evaluation, negotiation or Request for Proposals process for any or all Applications at any time without further explanation or notification to any Applicant.

6.3 Information Disclaimer

The District is not liable or responsible for any verbal or written information, or any advice, or any errors or omissions which may be contained in the RFEI or documents disclosed or otherwise provided to the Applicant pursuant to the RFEI.

The Applicant should conduct its own independent investigations and interpretations and should not rely on the District, with respect to information, advice or documentation provided by the District.

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The District makes no representation, warranty, or undertaking with respect to the RFEI and the District shall not be liable or responsible for the accuracy or completeness of the information in this RFEI or for any other written or oral information made available to any Applicant related to this RFEI.

The Applicant now irrevocably waives all rights it may have by statute, at law or in equity, to obtain any records produced or kept by the District in evaluating its Application (and any other submissions) and now agrees that under no circumstances will it make any application to the District for disclosure of any records pertaining to the receipt, evaluation or selection of its Application (or any other submission) including, without limitation, records relating only to the Applicant.

6.4 No Legal Obligation

The Applicant acknowledges and agrees that despite any other term of this RFEI, the District assumes no legal duty or obligation in respect of this RFEI or any of the processes described herein. All Applicants are entitled to withdraw their Applications at any time.

6.5 Confidentiality

Every document, including Applications, delivered to the District pursuant to this RFEI will be received and held in confidence by the District, subject to the provisions of the *Freedom and Information and Protection of Privacy Act*.

Any documents or information relating to the District or this RFEI obtained by an Applicant as a result of participation in this RFEI *should be deemed to be confidential* and must not be disclosed without prior written authorization from the District.