

Request of Information and Expression of Interest District of Saanich Saanich Food Hub

Purpose:

The purpose of this Request of Information and Expression of Interest (ROI/EOI) is to request information and identify parties interested in providing a location and/or a facility for a Saanich Food Hub (SFH), also referred to as the "Hub", to be located in Saanich or nearby in the Saanich Peninsula with a view to launching the Hub in 2025. The completion and submission of the expression of interest in no way obligates you to enter into an agreement with the District and is not binding. This ROI/EOI is for information purposes only.

Project:

Background:

The SFH is a regional collaborative project that focuses on expanding the local food economy and strengthening the food system. The Hub will act as a catalyst to foster collaboration among the many players along the food and agriculture value chain. The SFH is dedicated to growing the local food economy by offering shared access to facilities, equipment, and services that are currently missing from the value chain, including food processing and recipes and product development support.

The District, along with food hub experts and organizational collaborators, have acted as a host and facilitator of the process to establish a food hub in the District of Saanich. The District is now seeking a location and facility partner or partners to provide or develop a regional food hub facility in the Saanich Peninsula.

Anticipated process for developing the SFH

The anticipated process for developing the SFH is as follows:

- November 2022 Consultant developing feasibility study for the SFH (in progress)
- February 2023 Issue ROI/EOI to develop or provide a facility for the SFH
- March 2023 Review responses and identify suitable parties and locations.
- March 2023 Receive feasibility study report from consultants.
- March December 2023 Establish steering committee to select preferred party and location and secure required funding.
- March 2023 March 2024 Secure the funding from various sources.
- March 2024 Once funding is secured, the steering committee will transition to become non-profit society (or some other entity) to administer the funds and operate the hub.
- March 2024 May 2024 Develop business plan.
- May 2024 April 2025 Construct and/or renovate facility, hire staff, and promote SFH.
- May 2025 Launch the SFH.



SFH Requirements, Anticipated Activities, and Business Case

The Hub will need to be developed in two phases. This RFI/EOI is to seek responses from multiple interested parties with the intent to conclude an agreement with a partner or partners that can meet Phase 1 requirements listed below, with capacity and resources to expand into Phase 2 after financial targets are met.

SFH Location and Facility Requirements Phase 1 Requirements:

- Main facility to be located within Saanich or nearby in the Saanich Peninsula.
- Building size: minimum 5,000 sq. ft., full build out size 8,000 10,000 sq. ft.
- Property size: minimum 8,000 sq. ft., up to 13,000 sq. ft.
- Lease rate: Base rate of \$20- \$25/sq. ft. gross rent plus triple net costs of \$4 \$6/sq. ft.
- The Phase 1, 5,000 sq. ft. facility will need to accommodate the following elements (the leasehold improvements specific to a food hub will be the responsibility of the hub):
 - Office, administrative and meeting space.
 - o A minimum of two washrooms (one accessible).
 - o A 1,500 sq. ft. commercial/test kitchen with a packaging line.
 - Space for ambient, refrigerated, and frozen food storage on concrete flooring.
 - A food packing and distribution area (brokerage).
- Ability to meet health and safety standards¹ as well as become a HACCP certified facility.
- Access to three-phase electrical power.
- Ability to connect to Municipal water and local utility power service.
- Available for occupancy May 1, 2025, or sooner.
- Minimum 5-year lease term with an option to extend the lease to remain in force even in the event of a change of ownership of the building.
- Good delivery/loading access with two loading bay doors (preferably dock level).
- Adequate parking for commercial vehicles and visitors.
- Good general accessibility for people with physical disabilities.
- Conforms to local and provincial land use policy including:
 - o Municipal land use policy and other municipal and CRD bylaws.
 - Province of BC land use regulations for the ALR.

Phase 2 Requirements:

• An additional 3,000 - 5,000 sq. ft. (for a total of 8,000 – 10,000 sq. ft.) for expanding food processing and meal development services, storage, and equipment.

 Meeting rooms and classrooms for establishing a business accelerator (e.g., business advisory services, coach network, training and education, funding/investment, facility, and service coordination) and for partnerships with advanced education institutions (e.g. Camosun and UVic).

¹ Including but not limited to: An Application for Health Approval, a detailed, labelled, to-scale Floor Plan and Specification Form, a general business model description (highlight responsibilities of parties), a Food Safety Plan, a Sanitation Plan (with specifics on any shared equipment), and a COVID-19 Safety Plan (depending on status of pandemic)



• Laboratory facilities for product development and applied research, unless provided by another party.

Additional features of land/building characteristics that are considered an asset:

- Access to Highway 17 for convenient distribution of food products.
- Easy access and egress for commercial vehicles.
- Building/land use compatible with surrounding uses.
- Room to expand the building or leasable space as the needs of the food hub expands.
- An option to purchase the facility at end of lease term.
- A central, retail-friendly location to create the potential for a retail component.

Anticipated activities of the SFH

Anticipated activities at the SFH include but are not limited to:

- Hosting multiple food businesses in a shared space.
- Use of the Hub 8 12 months per year.
- Receiving, washing, grading, storing, and preparing raw food for preparation and processing.
- Preparing and processing the food into recipes, meals and/or value-added products, including packaging and labelling.
- Storing food in walk-in freezers, walk-in coolers, and ambient temperature warehouse space.
- Packing and distributing finished orders.
- Rental of office and small group meeting space.
- Training and networking events, such as conferences and 'learning days'.
- Research and development of food, meals and beverages and preparation techniques.
- Food business incubator
- Possible retail sales and agri-tourism site-visits.

Business case for developing the Saanich Food Hub

Developing the SFH provides unique opportunities to gain a competitive advantage in the highly competitive food and agriculture sectors as well as to expand the local food economy and improve food security. The business case includes, but is not limited to:

- Access to start-up funding through a partnership with the District of Saanich and/or other agencies.
- Access to a comprehensive business plan with extensive market research and financial projections, designed to allow the SFH to become self-funding with 5 years.
- Strong support from the District for a food hub to be developed in the community.
- The ability to leverage District relationships with Provincial and Federal partners.
- On-going shared costs with other businesses leading to cost savings.
- Improved economies of scale for producer procurement needs and potential access to larger buyers.
- Ability for the Hub to jointly market and distribute the products of its members, thereby improving access to a larger customer base.



Anticipated role of the District of Saanich:

- Assist with brokering an arrangement that allows the SFH to move forward in a tangible way in the next year.
- Apply for start-up grants for Phase 1.
- Share market research and business plan documents with the preferred Party.
- Provide input on ownership and governance structures of the SFH.
- Eventually phase out its involvement after the Hub has been established and remain as a supporting agency.

Interested Party Options

The District of Saanich is willing to entertain Expression of Interest from a wide range of parties, including the following:

- A party that owns a property & building that meets the above requirements that is willing to lease the property to a non-profit organization (still to be determined) of the SFH.
- A party that owns land of a suitable size and location that is willing to lease or sell the land to a party willing to develop the building for the SFH.
- A party that is willing to lease or buy a suitable parcel of land and develop a building that meets the above requirements.
- A party that is willing to buy a building and/or property from a developer and become the landlord for the building.
- A party that would like to lease dedicated space for its own use in the same building as the SFH so that it can take better advantage of the services of the Hub. This type of party should specify how much space it needs as well as other building requirements (e.g., ceiling height, loading bay doors, power needs). In this scenario, SFH could serve as the master tenant for all tenants in the building or those tenants requiring their own dedicated space could lease directly from the landlord.

If multiple parties come forward to lease dedicated space in the same building, the aggregate total of their space requirements will be added to the space requirements for the Hub. For example, if three parties submit an Expression of Interest to rent 2,000 square feet each in the Hub, the size requirements will be increased by 6,000 square feet, provided there is space available or there is a developer willing to construct a building of this increased size and a property large enough to accommodate the increased size requirements.

Response:

Interested parties are invited to respond by submitting the information outlined below by email to mitchell.edgar@saanich.ca by March 13, 2023 @ 3:00PM local time.

Interested parties are requested to provide concise and focused information, as outlined below:

Party information

- Full Legal Name of Interested Party
- Other "DBA" Names the Interested Party Uses, if applicable:
- Registered Address
- Contact Person Name & Title
- Contact Person Phone No.



Contact Person Email

Responses should include the following sections:

- Interested parties' profile.
- Address(es) of any potential suitable land or buildings within the region.
- Description of how your business or organization can meet and/or exceed SFH requirements as described above.
- Information on previous related experience.

Additional Information:

Additional Information related to inquires will be listed on the District of Saanich website. Interested parties are encouraged to check the site for any additional information prior to submitting their response. Link: Economic Development | District of Saanich

Enquiries:

All enquiries related to this ROI/EOI are to be directed, in writing, to:

Mitchell Edgar, Economic Development Manager Email: mitchell.edgar@saanich.ca

General Process:

The District may modify this ROI/EOI at any time in its sole discretion.

The District is under no obligation to enter into negotiations or contract with any party.

The District at its sole discretion may negotiate with any party whether or not they have submitted information or an expression of interest under this ROI/EOI.

No party will have any formal contractual obligations to the other and either party can withdraw from the process at anytime for any reason whatsoever. Contract obligations do not apply and the process is not binding on either side.

Any party submitting information must bear all costs associated with a submission and all documents submitted to the District become the property of the District.

Submissions will be received and held in confidence by the District subject to the provisions of the *Freedom of Information and Protection of Privacy Act*.