

Walter, Penny

Subject: FW: Email - Communication - Cary Tarasoff - Lease to Manage the Farmers' Market Building - CK 4129-22 x 600-3
Attachments: 7.2.4_lease_to_manage_the_farmers_market_building.pdf

From: Web NoReply <web-noreply@Saskatoon.ca>
Sent: Sunday, August 14, 2022 1:54 PM
To: City Council <City.Council@Saskatoon.ca>
Subject: Email - Communication - Cary Tarasoff - Lease to Manage the Farmers' Market Building - CK 4129-22 x 600-3

--- Replies to this email will go to [REDACTED] ---

Submitted on Sunday, August 14, 2022 - 13:53

Submitted by user: [REDACTED]

Submitted values are:

Date Sunday, August 14, 2022

To His Worship the Mayor and Members of City Council

First Name Cary

Last Name Tarasoff

Phone Number

Email [REDACTED]

Address [REDACTED] Peterson Cres

City Saskatoon

Province Saskatchewan

Postal Code [REDACTED]

Name of the organization or agency you are representing (if applicable)

Subject Agenda Item 7.2.4 Lease to Manage the Farmers' Market Building

Meeting (if known) SPC-PDCS - Monday, August 15, 2022

Comments Please accept the attached document for the meeting on Monday. Thank you.

Attachments

[7.2.4 lease to manage the farmers market building.pdf](#)

Will you be submitting a video to be vetted prior to council meeting? No

RE: Agenda Item 7.2.4 Lease to Manage the Farmers’ Market Building

Chairman and Committee Members,

The proposed Farmers’ Market Building lease agreement leaves nagging questions.

If taxes are being used to fund the Farmers’ Market Building improvements, why shouldn’t taxpayers also share in the revenue that is generated there? The proposed lease agreement is giving great benefit to one proponent at the expense of taxpayer investment which is excessive by all other commercial real estate standards in Saskatoon. This means that the proposed leasee will gain exceptional benefits that no other taxpaying commercial entity in Saskatoon receives from the City while the leasee competes directly with various existing taxpaying commercial ventures. Sounds like Prairieland Park 2.0, doesn’t it?

Under this proposed lease agreement, there are many deviations from the RFP’s lease requirements:

Term	RFP from November 2019	Proposed Lease Agreement
Lease Term	“...a period of five (5) years, with an option in favour of the City to extend the agreement on the same terms and conditions for one (1) additional two-year term... ”	“Five years, with an option to extend the agreement on the same terms and conditions for another five-year term... ”
Payment of Annual Property Taxes	“ Payment of annual property taxes on the site (2019 taxes were \$14,139)”	“ A tax exemption is proposed during the initial five-year lease term.”
Annual payments into the CBCM Reserve	“ Annual payments into the City of Saskatoon Civic Buildings Comprehensive Maintenance (CBCM) Reserve (estimated at 1.2% of appraised value of the building; 2019 CBCM payments were \$27,000). This may increase based on the valuation added by the new roof;”	“Annual CBCM payments have been averaged over the five-year term, at an estimate of \$32,000 per year.” Please advise if this is based on the increased appraised value of the building after only the roof repair or after the extensive building improvements? “ The first two years of CBCM payments will be deferred and divided over and paid for during the remaining three years of the lease term. ”
Dedicated Farmers’ Market Days	“Farmers' Market Building Animation Objectives:...Operation of a farmers’ market/local (Saskatchewan) food component at minimum two-days-a-week, year-round. ” “Market Square Animation Objectives: Operation of a farmers’ market/local (Saskatchewan) food component at minimum two-days-a-week, seasonally.”	No dedicated days within the building. “Ideas Inc. will operate a seasonal farmers’ market on Market Square twice weekly between May and October, annually.”

One of the lease requirements in the RFP was “Obtaining all necessary permits and compliance with regulations (such as selling or serving alcohol, serving food, etc.)”. It was indicated by Ms. Lacroix at the June SPC-PDCS meeting that now the City is working directly with SLGA around a new liquor permit for this facility yet we also do not have a lease agreement signed yet? Why are we negotiating with SLGA then?

One objective within the RFP was “opportunities to provide for the daily food/grocery needs of residents living nearby in the area.” There is no explicit indication in the proposed lease agreement that addresses this objective.

The identified objectives of the City for the Farmers’ Market Building are “animation of the site, local products, and a return on investment for the building”. What began as a \$900,000 roof replacement project has now increased by \$1.65M for design and construction work to build out the vision provided in Ideas Inc.’s RFP submission PLUS \$750,000 for additional scope work PLUS another \$150,000 for furnishings that will be split between the City and Ideas Inc. So at this point, all totalled, Saskatoon taxpayers are on the hook for \$3,375,000 not counting the value of the property or structure? It was noted in the RFP that the proponent must be able to show the “ability to cover lease-related costs, and an ability to pay for and/or finance and make any leasehold capital improvements.” With very little financial input from Ideas Inc. and a significant investment by the City, **exactly what is the expected return on investment?** The City will receive no revenue from the activities on the property. It is an industry standard for new tenants to pay for all unique improvements to a structure for their use to take place. Improved use-specific HVAC and a vestibule specifically fall into this. Normal Commercial Leases might cover those costs as long as they were amortized over the period of the lease which may include some discount as negotiated by the lease and lessor. In this case, the taxpayer of Saskatoon foots the entire bill for a concentrated and specific use for which we receive no long-term direct rent payment. It will take more than 50 years to recover these costs through payment into the building reserve and property taxes combined. Which means this building will undoubtedly be obsolete decades before ever regaining even the capital investment here negating a reasonable interest rate.

Within the RFP, it was indicated that “the procurement and evaluation process will be overseen by an external independent Fairness Monitor”. A Fairness Report has not yet been made publicly available. **Please release the Fairness Report report for public review.**

In conclusion, this lease agreement has been negotiated with the intent to provide great benefit to one proponent with no clear return on investment to the City. As stated by Administration, “this approach will result in an enhanced farmer’s market experience for customers and vendors, maximize the chance the City’s vision for the site can be achieved, and provide fixed assets and permanent elements for the building which the City would have ownership over going forward.” **What is preventing the City from hiring a vendor manager and an event co-ordinator to oversee the operations of the Farmers’ Market Building and retain the revenue generated from these activities?** It would be similar to the River Landing Service Line that already manages and operates the River Landing facilities, parkade, amenities, and programs for the benefit of citizens and visitors to Saskatoon (the capital project for the Farmers’ Market Building Renewal is currently under this Service Line). There is still an opportunity to proceed in this direction, as there is no legally binding relationship created with any proponent yet; a written agreement has not been executed.

Thank you,
Cary Tarasoff
Saskatoon, SK

Attachments:

RFP190508 Lease of Farmers' Market Building at River Landing

RFP190508 Annex A - Farmers Market Building Tenant Operating Metrics

RFP190508 Annex B - Farmers' Market Building Floor Plan

Addendum 1 for RFP190508 Annex A - Farmers Market Building Tenant Operating Metrics

Addendum 2 for RFP190508 Farmers Market Building

Addendum 3 for RFP190508 Farmers Market Building



Request for Proposals
For
Lease of Farmers' Market Building at River Landing

Request for Proposals No.: **19-0508**

Issued: **Friday November 08, 2019**

Submission Deadline: **Tuesday December 31, 2019 2:00:59 PM Saskatchewan time**

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PART 1 – INVITATION AND SUBMISSION INSTRUCTIONS

A. 1.1 Invitation to Proponents

This Request for Proposals (the “RFP”) is an invitation by the City of Saskatoon (the “City”) to prospective proponents to submit proposals for **Lease of Farmers' Market Building at River Landing** as further described in Section A of the RFP Particulars (Appendix D) (the “Deliverables”).

The City of Saskatoon is looking to lease the Farmers' Market Building within River Landing, seeking a proponent to develop and manage a six-day a week (at minimum) animated public facility, with dedicated farmers' market days.

1.2 RFP Contact

For the purposes of this procurement process, the “RFP Contact” will be:

Amy Bernard, Purchasing Services, amy.bernard@saskatoon.ca

Proponents and their representatives are not permitted to contact any employees, officers, agents, elected or appointed officials or other representatives of the City, other than the RFP Contact, concerning matters regarding this RFP. Failure to adhere to this rule may result in the disqualification of the proponent and the rejection of the proponent's proposal.

1.3 Type of Contract for Deliverables

The selected proponent will be requested to enter into direct contract negotiations to finalize an agreement with the City for the provision of the Deliverables. It is the City's intention to enter into an agreement with only one (1) legal entity. The term of the agreement is to be for a period of five (5) years, with an option in favour of the City to extend the agreement on the same terms and conditions for one (1) additional two-year term, contingent upon the successful proponent's annual compliance to the Farmer's Market Building Tenant Operating Metrics (Annex A).

1.4 RFP Timetable

Issue Date of RFP	Friday November 08, 2019
Deadline for Questions	Thursday December 12, 2019 2:00:59 PM SK time
Deadline for Issuing Addenda	Tuesday December 17, 2019 2:00:59 PM SK time
Submission Deadline	Tuesday December 31, 2019 2:00:59 PM SK time
Rectification Period	5 business days
Anticipated Ranking of Proponents	January 17, 2020
Contract Negotiation Period	30 calendar days
Anticipated Execution of Agreement	March, 2020

The RFP timetable is tentative only, and may be changed by the City at any time. For greater clarity, business days means all days that the City is open for business.

1.5 Submission of Proposals

1.5.1 Proposals to be Submitted at Prescribed Location

Proposals must be submitted at:

Purchasing Services
222 Cardinal Crescent
Saskatoon, SK S7L 6H8
Ph: 306.975.2600
Fx: 306.975.2612

1.5.2 Proposals to be Submitted on Time

Proposals must be submitted at the location set out above on or before the Submission Deadline. Proposals submitted after the Submission Deadline will be rejected.

1.5.3 Proposals to be Submitted in Prescribed Format

Proponents should submit one (1) unbound hard copy of their proposal marked with “Master Copy”, seven (7) bound hard copies, and one (1) electronic copy (USB) in a sealed package. Proposals should be prominently marked with the RFP title and number (see RFP cover), with the full legal name and return address of the proponent. If there is a discrepancy between the “Master Copy” hard copy and the electronic copy, the “Master Copy” hard copy will prevail.

1.5.4 Amendment of Proposals

Proponents may amend their proposals prior to the Submission Deadline by submitting an updated proposal via facsimile. The new submission should be prominently marked with the RFP title and number and the full legal name and return address of the proponent to the location set out above. Any amendment should clearly indicate which part of the proposal the amendment is intended to amend or replace.

1.5.5 Withdrawal of Proposals

At any time throughout the RFP process until the execution of a written agreement for provision of the Deliverables, a proponent may withdraw a submitted proposal. To withdraw a proposal, a notice of withdrawal must be sent to the RFP Contact and must be signed by an authorized representative of the proponent. The City is under no obligation to return withdrawn proposals.

[End of Part 1]

PART 2 – EVALUATION, NEGOTIATION AND AWARD

2.1 Stages of Evaluation and Negotiation

The procurement and evaluation process will be overseen by an external independent Fairness Monitor.

The City will conduct the evaluation of proposals and negotiations in the following stages:

2.2 Stage I – Mandatory Submission Requirements

Stage I will consist of a review to determine which proposals comply with all of the mandatory submission requirements. If a proposal fails to satisfy all of the mandatory submission requirements, the City will issue the proponent a rectification notice identifying the deficiencies and providing the proponent an opportunity to rectify the deficiencies. If the proponent fails to satisfy the mandatory submission requirements within the Rectification Period, its proposal will be rejected. The Rectification Period will begin to run from the date and time that the City issues a rectification notice to the proponent. The mandatory submission requirements are set out in Section C of the RFP Particulars (Appendix C).

2.3 Stage II – Evaluation

Stage II will consist of the following two sub-stages:

2.3.1 Mandatory Technical Requirements

Although no technical requirements have been identified, should this change through an Addendum, they would relate to Section D of the RFP Particulars (Appendix C).

2.3.2 Rated Criteria

The City will evaluate each qualified proposal on the basis of the rated criteria as set out in Section F of the RFP Particulars (Appendix C).

2.4 Stage III – Ranking and Contract Negotiations

2.4.1 Ranking of Proponents

After the completion of Stage II, all scores will be added together and the proponents will be ranked based on their total scores. The top-ranked proponent will receive a written invitation to enter into direct contract negotiations to finalize the agreement with the City. In the event of a tie, the selected proponent will be the proponent with the highest score in the Approach section.

2.4.2 Contract Negotiation Process

Any negotiations will be subject to the process rules contained in the Terms and Conditions of the RFP Process (Part 3) and will not constitute a legally binding offer to enter into a contract on the part of the City or the proponent and there will be no legally binding relationship created with any proponent prior to the execution of a written agreement. The terms and conditions will be a standard lease provided by the City of Saskatoon, and that will form the basis for commencing negotiations between the City and the selected proponent. Negotiations may include requests by

the City for supplementary information from the proponent to verify, clarify or supplement the information provided in its proposal or to confirm the conclusions reached in the evaluation, and may include requests by the City for improved performance terms from the proponent.

2.4.3 Time Period for Negotiations

The City intends to conclude negotiations and finalize the agreement with the top-ranked proponent during the Contract Negotiation Period, commencing from the date the City invites the top-ranked proponent to enter negotiations. A proponent invited to enter into direct contract negotiations should therefore be prepared to satisfy the pre-conditions of award listed in Section E of the RFP Particulars (Appendix C), provide requested information in a timely fashion and conduct its negotiations expeditiously.

2.4.4 Failure to Enter into Agreement

If the pre-conditions of award listed in Section E of the RFP Particulars (Appendix C) are not satisfied or if the parties cannot conclude negotiations and finalize the agreement for the Deliverables within the Contract Negotiation Period, the City may discontinue negotiations with the top-ranked proponent and may invite the next-best-ranked proponent to enter into negotiations. This process will continue until an agreement is finalized, until there are no more proponents remaining that are eligible for negotiations or until the City elects to cancel the RFP process.

2.4.5 Notification of Negotiation Status

Other proponents that may become eligible for contract negotiations may be notified at the commencement of the negotiation process with the top-ranked proponent.

[End of Part 2]

PART 3 – TERMS AND CONDITIONS OF THE RFP PROCESS

3.1 General Information and Instructions

3.1.1 Proponents to Follow Instructions

Proponents should structure their proposals in accordance with the instructions in this RFP. Where information is requested in this RFP, any response made in a proposal should reference the applicable section numbers of this RFP.

3.1.2 Proposals in English

All proposals are to be in English only.

3.1.3 No Incorporation by Reference

The entire content of the proponent's proposal should be submitted in a fixed form, and the content of websites or other external documents referred to in the proponent's proposal but not attached will not be considered to form part of its proposal.

3.1.4 Past Performance

In the evaluation process, the City may consider the proponent's past performance or conduct on previous contracts with the City or other institutions.

3.1.5 Information in RFP Only an Estimate

The City and its advisers make no representation, warranty or guarantee as to the accuracy of the information contained in this RFP or issued by way of addenda. Any quantities shown or data contained in this RFP or provided by way of addenda are estimates only, and are for the sole purpose of indicating to proponents the general scale and scope of the Deliverables. It is the proponent's responsibility to obtain all the information necessary to prepare a proposal in response to this RFP.

3.1.6 Proponents to Bear Their Own Costs

The proponent will bear all costs associated with or incurred in the preparation and presentation of its proposal, including, if applicable, costs incurred for interviews or demonstrations.

3.1.7 Proposal to be Retained by the City

The City will not return the proposal or any accompanying documentation submitted by a proponent.

3.1.8 No Guarantee of Volume of Work or Exclusivity of Contract

Unless otherwise expressly stated in the RFP, the City makes no guarantee of the value or volume of work to be assigned to the successful proponent. The agreement to be negotiated with the selected proponent will not be an exclusive contract for the provision of the described Deliverables. The City may contract with others for goods and services the same as or similar to the Deliverables or may obtain such goods and services internally.

3.2 Communication after Issuance of RFP

3.2.1 Proponents to Review RFP

Proponents should promptly examine all of the documents comprising this RFP, and may direct questions or seek additional information in writing by email to the RFP Contact on or before the Deadline for Questions. No such communications are to be directed to anyone other than the RFP Contact. The City is under no obligation to provide additional information, and the City is not responsible for any information provided by or obtained from any source other than the RFP Contact. It is the responsibility of the proponent to seek clarification from the RFP Contact on any matter it considers to be unclear. The City is not responsible for any misunderstanding on the part of the proponent concerning this RFP or its process.

3.2.2 All New Information to Proponents by Way of Addenda

This RFP may be amended only by addendum in accordance with this section. If the City, for any reason, determines that it is necessary to provide additional information relating to this RFP, such information will be communicated to all proponents by addendum. Each addendum forms an integral part of this RFP and may contain important information, including significant changes to this RFP. Proponents are responsible for obtaining all addenda issued by the City.

3.2.3 Post-Deadline Addenda and Extension of Submission Deadline

If the City determines that it is necessary to issue an addendum after the Deadline for Issuing Addenda, the City may extend the Submission Deadline for a reasonable period of time.

3.2.4 Verify, Clarify and Supplement

When evaluating proposals, the City may request further information from the proponent or third parties in order to verify, clarify or supplement the information provided in the proponent's proposal, including but not limited to clarification with respect to whether a proposal meets the mandatory technical requirements set out in Section D of the RFP Particulars (Appendix D). The City may revisit, re-evaluate and rescore the proponent's response or ranking on the basis of any such information.

3.3 Notification and Debriefing

3.3.1 Notification to Other Proponents

Once an agreement is executed by the City and a proponent, the other proponents will be notified by public posting in the same manner that this RFP was originally posted of the outcome of the procurement process.

3.3.2 Debriefing

Proponents may request a debriefing after receipt of a notification of the outcome of the procurement process. All requests must be in writing to the RFP Contact and must be made within sixty (60) days of such notification.

3.3.3 Procurement Protest Procedure

If a proponent wishes to challenge the RFP process, it should provide written notice to the RFP Contact in accordance with the City's procurement protest procedures and any applicable trade agreement or other applicable bid protest procedures. The notice must provide a detailed explanation of the proponent's concerns with the procurement process or its outcome.

3.4 Conflict of Interest and Prohibited Conduct

3.4.1 Conflict of Interest

For the purposes of this RFP, the term "Conflict of Interest" includes, but is not limited to, any situation or circumstance where:

- (a) in relation to the RFP process, the proponent has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including but not limited to (i) having, or having access to, confidential information of the City in the preparation of its proposal that is not available to other proponents, (ii) communicating with any person with a view to influencing preferred treatment in the RFP process (including but not limited to the lobbying of decision makers involved in the RFP process), or (iii) engaging in conduct that compromises, or could be seen to compromise, the integrity of the open and competitive RFP process or render that process non-competitive or unfair; or
- (b) in relation to the performance of its contractual obligations under a contract for the Deliverables, the proponent's other commitments, relationships or financial interests (i) could, or could be seen to, exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgement, or (ii) could, or could be seen to, compromise, impair or be incompatible with the effective performance of its contractual obligations.

3.4.2 Disqualification for Conflict of Interest

The City may disqualify a proponent for any conduct, situation or circumstances, determined by the City, in its sole and absolute discretion, to constitute a Conflict of Interest as defined above.

3.4.3 Disqualification for Prohibited Conduct

The City may disqualify a proponent, rescind an invitation to negotiate or terminate a contract subsequently entered into if the City determines that the proponent has engaged in any conduct prohibited by this RFP.

3.4.4 Prohibited Proponent Communications

Proponents must not engage in any communications that could constitute a Conflict of Interest and should take note of the Conflict of Interest declaration set out in the Submission Form (Appendix B).

3.4.5 Proponent Not to Communicate with Media

Proponents must not at any time directly or indirectly communicate with the media in relation to this RFP or any agreement entered into pursuant to this RFP without first obtaining the written permission of the RFP Contact.

3.4.6 No Lobbying

Proponents must not, in relation to this RFP or the evaluation and selection process, engage directly or indirectly in any form of political or other lobbying whatsoever to influence the selection of the successful proponent(s).

3.4.7 Illegal or Unethical Conduct

Proponents must not engage in any illegal business practices, including activities such as bid-rigging, price-fixing, bribery, fraud, coercion or collusion. Proponents must not engage in any unethical conduct, including lobbying, as described above, or other inappropriate communications; offering gifts to any employees, officers, agents, elected or appointed officials or other representatives of the City; deceitfulness; submitting proposals containing misrepresentations or other misleading or inaccurate information; or any other conduct that compromises or may be seen to compromise the competitive process provided for in this RFP.

3.4.8 Past Performance or Past Conduct

The City may prohibit a supplier from participating in a procurement process based on past performance or based on inappropriate conduct in a prior procurement process, including but not limited to the following:

- (a) illegal or unethical conduct as described above;
- (b) the refusal of the supplier to honour its submitted pricing or other commitments; or
- (c) any conduct, situation or circumstance determined by the City, in its sole and absolute discretion, to have constituted an undisclosed Conflict of Interest.

3.5 Confidential Information

3.5.1 Confidential Information of the City

All information provided by or obtained from the City in any form in connection with this RFP either before or after the issuance of this RFP:

- (a) is the sole property of the City and must be treated as confidential;
- (b) is not to be used for any purpose other than replying to this RFP and the performance of any subsequent contract for the Deliverables;
- (c) must not be disclosed without prior written authorization from the City; and
- (d) must be returned by the proponent to the City immediately upon the request of the City.

3.5.2 Confidential Information of Proponent

A proponent should identify any information in its proposal or any accompanying documentation supplied in confidence for which confidentiality is to be maintained by the City. The confidentiality of such information will be maintained by the City, except as otherwise required by law or by order of a court or tribunal. Proponents are advised that their proposals will, as necessary, be disclosed, on a confidential basis, to advisers retained by the City to advise or assist with the RFP process, including the evaluation of proposals. If a proponent has any questions about the collection and use of personal information pursuant to this RFP, questions are to be submitted to the RFP Contact.

3.6 Procurement Process Non-Binding

3.6.1 No Contract A and No Claims

This procurement process is not intended to create and will not create a formal, legally binding bidding process and will instead be governed by the law applicable to direct commercial negotiations. For greater certainty and without limitation:

- (a) this RFP will not give rise to any Contract A–based tendering law duties or any other legal obligations arising out of any process contract or collateral contract; and
- (b) neither the proponent nor the City will have the right to make any claims (in contract, tort, or otherwise) against the other with respect to the award of a contract, failure to award a contract or failure to honour a proposal submitted in response to this RFP.

3.6.2 No Contract until Execution of Written Agreement

This RFP process is intended to identify prospective suppliers for the purposes of negotiating potential agreements. No legal relationship or obligation regarding the procurement of any good or service will be created between the proponent and the City by this RFP process until the successful negotiation and execution of a written agreement for the acquisition of such goods and/or services.

3.6.3 Non-Binding Price Estimates

While the pricing information provided in proposals will be non-binding prior to the execution of a written agreement, such information will be assessed during the evaluation of the proposals and the ranking of the proponents. Any inaccurate, misleading or incomplete information, including withdrawn or altered pricing, could adversely impact any such evaluation or ranking or the decision of the City to enter into an agreement for the Deliverables.

3.6.4 Cancellation

The City may cancel or amend the RFP process without liability at any time.

3.7 Governing Law and Interpretation

These Terms and Conditions of the RFP Process (Part 3):

- (a) are intended to be interpreted broadly and independently (with no particular provision intended to limit the scope of any other provision);
- (b) are non-exhaustive and will not be construed as intending to limit the pre-existing rights of the parties to engage in pre-contractual discussions in accordance with the common law governing direct commercial negotiations; and
- (c) are to be governed by and construed in accordance with the laws of the province of Saskatchewan and the federal laws of Canada applicable therein.

[End of Part 3]

APPENDIX A – FORM OF AGREEMENT

The City of Saskatoon will provide a standard agreement which will form the basis for further negotiations and a final agreement.

APPENDIX B – SUBMISSION FORM

1. Proponent Information

Please fill out the following form, naming one person to be the proponent's contact for the RFP process and for any clarifications or communication that might be necessary.	
Full Legal Name of Proponent:	
Any Other Relevant Name under which Proponent Carries on Business:	
Street Address:	
City, Province/State:	
Postal Code:	
Phone Number:	
Fax Number:	
Company Website (if any):	
Proponent Contact Name and Title:	
Proponent Contact Phone:	
Proponent Contact Fax:	
Proponent Contact Email:	

2. Acknowledgment of Non-Binding Procurement Process

The proponent acknowledges that the RFP process will be governed by the terms and conditions of the RFP, and that, among other things, such terms and conditions confirm that this procurement process does not constitute a formal, legally binding bidding process (and for greater certainty, does not give rise to a Contract A bidding process contract), and that no legal relationship or obligation regarding the procurement of any good or service will be created between the City and the proponent unless and until the City and the proponent execute a written agreement for the Deliverables.

3. Ability to Provide Deliverables

The proponent has carefully examined the RFP documents and has a clear and comprehensive knowledge of the Deliverables required. The proponent represents and warrants its ability to provide the Deliverables in accordance with the requirements of the RFP for the rates set out in its proposal.

4. Addenda

The proponent is deemed to have read and taken into account all addenda issued by the City prior to the Deadline for Issuing Addenda.

5. No Prohibited Conduct

The proponent declares that it has not engaged in any conduct prohibited by this RFP.

6. Conflict of Interest

The proponent must declare all potential Conflicts of Interest, as defined in section 3.4.1 of the RFP. This includes disclosing the names and all pertinent details of all individuals (employees, advisers, or individuals acting in any other capacity) who (a) participated in the preparation of the proposal; **AND** (b) were employees of the City within twelve (12) months prior to the Submission Deadline.

If the box below is left blank, the proponent will be deemed to declare that (a) there was no Conflict of Interest in preparing its proposal; and (b) there is no foreseeable Conflict of Interest in performing the contractual obligations contemplated in the RFP.

Otherwise, if the statement below applies, check the box.

- The proponent declares that there is an actual or potential Conflict of Interest relating to the preparation of its proposal, and/or the proponent foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the RFP.

If the proponent declares an actual or potential Conflict of Interest by marking the box above, the proponent must set out below details of the actual or potential Conflict of Interest:

7. Disclosure of Information

The proponent hereby agrees that any information provided in this proposal, even if it is identified as being supplied in confidence, may be disclosed where required by law or by order of a court or tribunal. The proponent hereby consents to the disclosure, on a confidential basis, of this proposal by the City to the advisers retained by the City to advise or assist with the RFP process, including with respect to the evaluation this proposal.

Signature of Proponent Representative

Name of Proponent Representative

Title of Proponent Representative

Date

I have the authority to bind the proponent.

APPENDIX C – RFP PARTICULARS

A. THE DELIVERABLES

General

The City of Saskatoon is seeking a proponent to lease its 13,561 square foot building (the Farmers' Market Building) in River Landing (414 Avenue B South). The successful proponent would develop and manage a six-day-a-week (at minimum) animated public facility, with dedicated farmers' market days.

Proponents may be corporations, cooperatives, joint ventures, partnerships, associations, sole proprietorships, or any other legal entity eligible to conduct business in the Province of Saskatchewan. As well, any owners or members that submitted one proposal could participate in another proposal or proponents may present more than one proposal where they have a different mix of partners.

The River Landing Concept Plan calls for a farmers' market at this location. The City understands that farmers' markets, food trends, and food hubs/halls are evolving worldwide, with a number of cities developing six or seven day a week facilities that include a farmers' market component along with other local food, service, event, and product offerings. The City seeks development of the site as a vibrant centre for the community and a destination location that provides dedicated farmers' market days with verifiable Saskatchewan produce and content.

To note:

1) This RFP only includes the Farmers' Market Building; use of Market Square can be booked with the City separately by the successful proponent, and innovative ideas on using the space can be included with their submissions, but Market Square use is not exclusive to the successful proponent (but the proponent will have first right of refusal for use of Market Square). Ideas Inc. is not included in the RFP as it is a separate entity and building space, located at the same site.

2) At the time of this RFP issuance, the City is working with a consultant to create a design plan, and issue a tender for a roofing contractor to repair the roof in early 2020. The City is aiming to have this repair work finished by spring 2020, so as not to impact any future proponent's occupation of the site.

Lease Requirements Expected of Successful Proponent

- Annual lease payment of \$10.00;
- Payment of annual property taxes on the site (2019 taxes were \$14,139);
- Annual payments into the City of Saskatoon Civic Buildings Comprehensive Maintenance (CBCM) Reserve (estimated at 1.2% of appraised value of the building; 2019 CBCM payments were \$27,000). This may increase based on the valuation added by the new roof;
- Occupancy costs such as: payment of utility costs applicable to the leased square footage; operational maintenance costs (capital costs are covered by the City); cleaning/janitorial costs (building and washrooms); building security; snow clearing at the building entrances (the City is responsible for clearing Market Square and the sidewalks around the perimeter); and garbage and recycling removal;

- Booking of Market Square with the City by the successful proponent for their planned operations, their vendors, or their own special events;
- Booking of road closures with the City by the successful proponent for their planned operations, vendors, or their own special events;
- Obtaining all necessary permits and compliance with regulations (such as selling or serving alcohol, serving food, etc.);
- Finding their own parking for staff/vendors. No parking is provided at the site for the tenants as part of this lease with the City, but there are two temporary public pay parking lots beside the building (temporary, as the lots may be sold and developed within the next 5 years); there is also pay parking on the streets;
- Providing reports to the City compliant with the reporting plan agreed to through negotiations. The Farmers' Market Building Tenant Operating Metrics (Annex A) will be included in the reporting plan and are what the successful proponent will be held accountable to achieve once they are operating the building, in order to meet the objectives of the City for the building.

See Annex A - Farmers Market Building Tenant Operating Metrics

B. MATERIAL DISCLOSURES

Floor Plan

See Annex B – Farmers' Market Building Floor Plan

C. MANDATORY SUBMISSION REQUIREMENTS

1. Submission Form (Appendix B)

Each proposal must include a Submission Form (Appendix B) completed in English and signed by an authorized representative of the proponent.

2. Other Mandatory Submission Requirements

N/A

D. MANDATORY TECHNICAL REQUIREMENTS

N/A

E. PRE-CONDITIONS OF AWARD

Proof of Insurance

- "All risks" Insurance
- Commercial General Liability insurance of \$2 million
- Any other form of insurance that the City may reasonably require from time to time.

The successful proponent shall provide Proof of Insurance as a pre-condition of award. Failing to provide this may disqualify the proponent and the next highest scoring proponent may be provided the opportunity.

Saskatchewan Worker Compensation Board - Letter of Good Standing

As a pre-condition of award, the successful proponent must provide a letter of good standing as required under The Saskatchewan Workers' Compensation Act. Failing to provide this may disqualify the proponent and the next highest scoring proponent may be provided the opportunity.

F. RATED CRITERIA

The following sets out the categories, weightings and descriptions of the rated criteria of the RFP. Proponents who do not meet a minimum threshold score for a category will not proceed to the next stage of the evaluation process.

#	Category	Weighting (%)	Threshold
1	Experience	30	N/A
2	Approach	40	N/A
3	Business Plan	30	N/A
Total Points		100	

1. Experience

Proposals will be evaluated on the basis of information outlining demonstrated management experience, organizational capacity, and proposed governance as follows:

- Demonstrated track record in developing, managing and/or operating a business.
 - Describe any current or past experience curating multiple vendors/user groups/food service businesses.
 - Describe any current or past experience managing a building and/or public space, including animation, special events, and attracting visitors/customers.
- Demonstrated financial capacity and team ability to support operations over the term of the lease.
 - Include management resumes, financial references, and information about owners, members, and investors as may be applicable.
- Proposed organizational structure and governance model.
 - Include information about the existing or proposed skill-sets for governance and/or staff positions and describe the composition of who they are, whether that be owners, members, or investors.

2. Approach

Proposals will be evaluated based on the approach to meeting the City's objectives of animation and local food/products as described below.

Farmers' Market Building Animation Objectives:

- Operation of a public facility that includes business activities at minimum six-days-a-week, year-round.
 - Describe the proposed business activities and expected hours of operation;
 - Explain/illustrate the design concept for how the building will be utilized;
 - Describe how the proposed business activities and/or products will be complementary to one another and/or facilitate collaboration and creativity; and
 - Describe how the proposed business activities will create a destination and attract residents and visitors alike.
- Operation of a farmers' market/local (Saskatchewan) food component at minimum two-days-a-week, year-round.
 - Describe how a farmers' market/local food component will be integrated with day to day business activities including: design concept; approach to seasonal changes/product; and identify dedicated farmers' market days/hours.

Market Square Animation Objectives:

- Operation of a farmers' market/local (Saskatchewan) food component at minimum two-days-a-week, seasonally.
 - Describe how a farmers' market/local food component will be conducted during the growing season including a design concept for how Market Square will be utilized, and identify dedicated farmers' market days/hours; and
 - Describe other animation opportunities for Market Square, in addition to the farmers' market/local food component.

General Animation Objectives:

- Develop, accommodate, participate in or attract special events/festivals that are complementary to the surrounding land uses within River Landing or nearby.
 - Describe any creative or innovative concepts for developing, managing and/or participating in special events/festivals in the area during and outside of the proposed regular business days/hours.
- Creative animation of the site, to ensure a year-round destination for residents and visitors.
 - Describe any opportunities to provide for the daily food/grocery needs of residents living nearby in the area.

Local (Saskatchewan) Food/Product Objectives:

- Inclusion of local (Saskatchewan) food/products.
 - Describe what verifiable local food and beverage products would be available and explain how products not grown or produced specifically in Saskatchewan will be communicated to the public – explain the differentiation/transparency between Saskatchewan and non-Saskatchewan products; and
 - Describe what verifiable local products would be available that complement food items, such as handmade arts, crafts, etc. and explain how products not locally made/produced in Saskatchewan will be communicated to the public – explain the differentiation/transparency between Saskatchewan and non-Saskatchewan products.

3. Business Plan

Proposals will be evaluated on the demonstrated feasibility of the Business Plan as follows:

- Proposed Operating Plan
 - Include financial projections demonstrating viability, ability to meet the objectives outlined in the proponent's Approach submission (above), ability to cover lease-related costs, and an ability to pay for and/or finance and make any leasehold capital improvements (for clarity, lease-related costs are described in Section A. The Deliverables).
- Proposed Transition Plan
 - Include information describing any leasehold capital improvements and an associated timeline for opening the building for business to the public; and
 - Include a proposed plan for operating a seasonal outdoor farmers' market spring to fall 2020. To note: if the proponent's leasehold improvements necessitate the building being closed in 2020, the City's expectation is that the Proponent still needs to conduct outdoor market.
- Proposed approach for a reporting plan against identified metrics (Annex A - Farmers' Market Building Tenant Metrics)
 - Include how the Farmers' Market Building Tenant Metrics would be achieved.

ANNEX A - FARMERS' MARKET BUILDING TENANT OPERATING METRICS

Once the successful proponent (tenant) is operating the building, the City of Saskatoon will require regular metrics to be reported out on the objectives of the City. The objectives include animation of the site, local products, and a return on investment for the building. The form below is a draft of what could be agreed upon but will be an aspect of the negotiations with the preferred proponent.

<u>QUARTERLY</u> REPORT REQUIREMENTS	
METRIC	RATIONALE
Number of Vendors	<ul style="list-style-type: none"> • indicates building usage
Vendor Mix	<ul style="list-style-type: none"> • indicates a wider variety of offerings to patrons
Percentage of the Building Used by Vendors	<ul style="list-style-type: none"> • indicates financial success • indicates success in animation efforts
Attendance Numbers by Patrons (if possible to track)	<ul style="list-style-type: none"> • indicates success in animation efforts
Open for Business Days (minimum six-days-a-week)	<ul style="list-style-type: none"> • indicates animation
Percentage of the Building Occupied During Open for Business Days	<ul style="list-style-type: none"> • indicates animation
Attendance by Vendors on Open for Business Days	<ul style="list-style-type: none"> • indicates animation • indicates engagement by vendors in building success
Number of Vendors Selling Local Products/ Items they Produced	<ul style="list-style-type: none"> • indicates authentic with respect to local produce and content
Number of Farmers' Market Days (minimum two-days-a-week)	<ul style="list-style-type: none"> • indicates authentic with respect to local produce and content and fulfills City Council directive

<u>ANNUAL</u> REPORT REQUIREMENTS	
METRIC	RATIONALE
Gross Revenues (aggregate of all vendors, not individual)	<ul style="list-style-type: none"> • indicates financial success • indicates success in animation efforts
Operating Hours	<ul style="list-style-type: none"> • indicates animation
Number of External Rentals/Events in the Building; and Attendance	<ul style="list-style-type: none"> • indicates animation

Number of Tenant's Self-Produced Events; and Attendance	<ul style="list-style-type: none"> • indicates animation
Number of Vendors on Waiting List	<ul style="list-style-type: none"> • indicates if building is operating at capacity
Marketing Plan and Outcomes (including social media presence)	<ul style="list-style-type: none"> • indicates engagement with patrons • measures marketing efforts with turn-out of patrons
Average Kilometres from Vendor Farm to Farmers' Market Building	<ul style="list-style-type: none"> • indicates the distance food travels from vendor farm to market • supports theme of 100 mile food radius • freshest food for patrons
Map of Locations of Vendors (urban and rural)	<ul style="list-style-type: none"> • indicates local taxpayers and range of vendor base



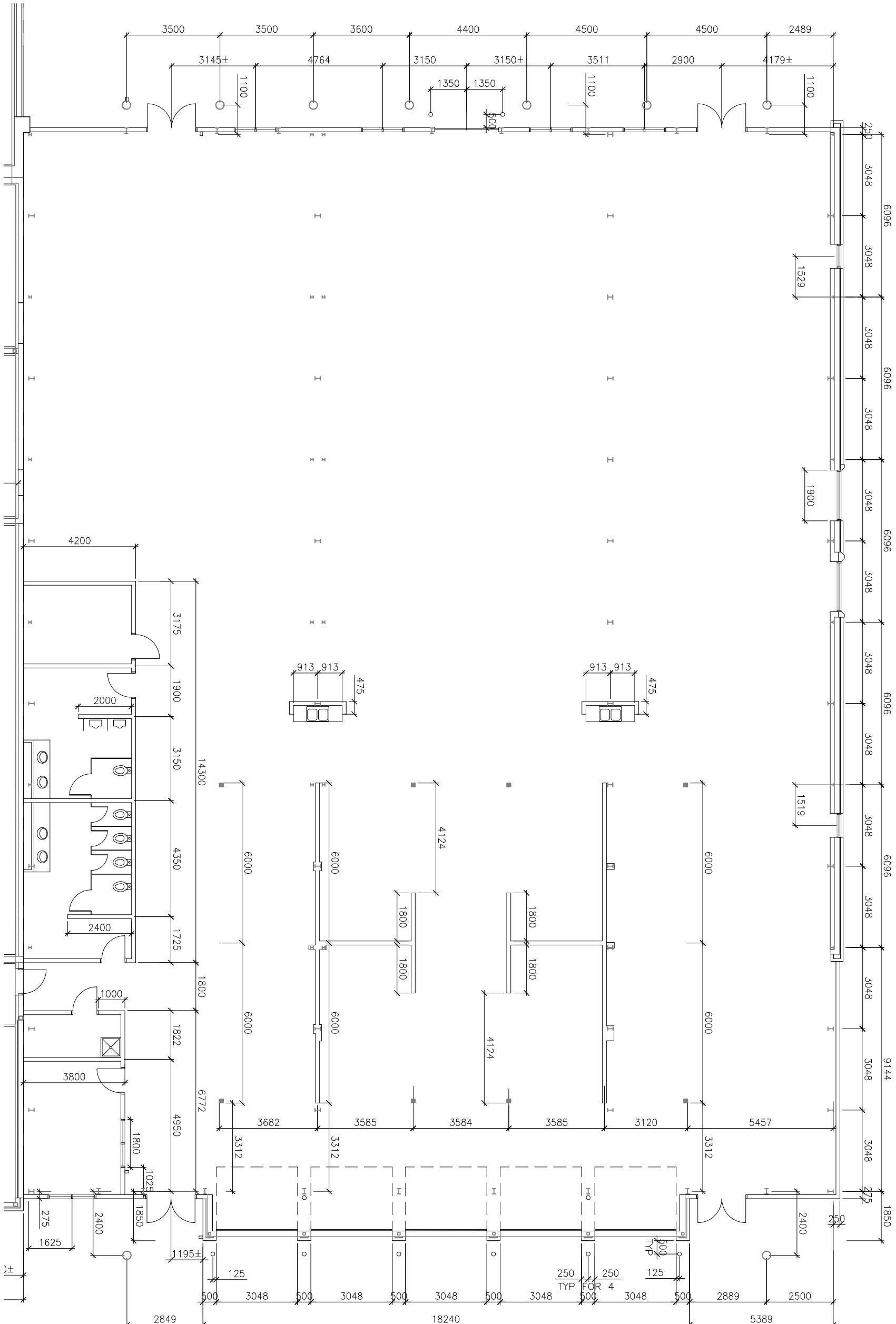
**City of
Saskatoon**

Utilities &
Environment

Facilities
Management

NOTE:
THESE DRAWINGS HAVE BEEN PREPARED
BASED ON INFORMATION PROVIDED BY
OTHERS. THE CITY HAS TAKEN STEPS
TO VERIFY THE ACCURACY AND/OR
COMPLETENESS OF THIS INFORMATION
BUT SHALL NOT BE RESPONSIBLE FOR
AND ERRORS OR OMISSIONS THAT
MAY BE INCORPORATED AS A RESULT
OF ERRONEOUS INFORMATION PROVIDED
BY OTHERS THAT WAS NOT ABLE TO BE
VISUALLY CONFIRMED.

- GENERAL NOTES:
1. ALL DIMENSIONS ARE IN MILLIMETRES
 2. DRAWINGS ARE NOT TO BE SCALED.
 3. ALL DRAWINGS TO BE READ IN CON-
JUNCTION WITH THE SPECIFICATIONS
UNLESS OTHERWISE NOTED.
 4. VERIFY SITE CONDITIONS, DIMENSIONS
AND LOCATION OF ALL UTILITIES PRIOR
TO THE START OF CONSTRUCTION.
 5. REPORT ALL DISCREPANCIES TO THE
CONSULTANT.



REV.	ISSUED FOR	DATE

DESIGNED BY: MSB	CHECKED BY:	REQUESTED BY:
SCALE: 1:150	DATE: 30/10/2019	

SHEET NAME
Main Floor
Base Plan

PROJECT TITLE
940.001
Farmers Market

PROJECT NO.	SHEET
REV. NO.	



DATE: November 14, 2019

ADDENDUM NO.: One (1)

RFP 19-0508 Lease of Farmers' Market Building at River Landing

GENERAL:

The proponent is deemed to have read and accepted all addenda issued by the City prior to the Deadline for Issuing Addenda.

QUESTIONS AND ANSWERS:

1) Can the RFP be emailed?

Response: We would expect that all interested proponents access the RFP in the same manner, and that is by downloading it from SaskTenders, and emailing/printing it from the file.

If there is a problem with downloading the file from the SaskTenders website, please let me know and we will have it rectified as soon as possible.

2) What is the lease term being offered by the City for the Farmers' Market RFP?

Response: The term of the lease is identified correctly in Section 1.3 of the RFP, as noted below:

Section 1.3 Type of Contract for Deliverables

"The term of the agreement is to be for a period of five (5) years, with an option in favour of the City to extend the agreement on the same terms and conditions for one (1) additional two-year term, contingent upon the successful proponent's annual compliance to the Farmer's Market Building Tenant Operating Metrics (Annex A)."

All other terms and conditions to remain the same.

Amy Bernard
Buyer



DATE: December 12, 2019

ADDENDUM NO.: Two (2)

RFP 19-0508 Lease of Farmers' Market Building at River Landing

GENERAL:

The proponent is deemed to have read and accepted all addenda issued by the City prior to the Deadline for Issuing Addenda.

QUESTIONS AND ANSWERS:

- 1) Does the City have any information regarding the average monthly utility expenses?

The services for the Farmers' Market Building are shared with the other tenant (Ideas Inc.) on a separate side of the building (that space is not part of the RFP), and therefore the exact number is not known. However, the City of Saskatoon estimates the following number for the entire building:

- **Electrical: \$2,200/month total for both tenants.**
- **Water: \$550 - \$650/month total for both tenants.**
- **Gas: Unknown. SaskEnergy is unable to provide the costs to anyone other than the tenant.**

- 2) Are the current restaurant spaces metered separately? If so, does the City have any information on their utility expenses?

The current restaurant kiosks are metered separately for electricity, and the cost is approximately \$250/month for each kiosk. It is up to the new tenant if they wish to utilize these kiosks and incur those charges.

- 3) Do you have a potential estimate of the increased value of the building or an expected range for the future maintenance fund payments?

The CBCM Reserve is 1.2% of appraised value of the building. In 2019, the CBCM payments were \$27,000. This may increase based on the valuation added by the new roof. The City of Saskatoon expects the roof would have a minimal effect on the appraised value of the building. However, any change to the valuation will not be known until the roof is designed and installed in early 2020.

All other terms and conditions remain the same.

Amy Bernard
Buyer



DATE: December 17, 2019

ADDENDUM NO.: Three (3)

RFP 19-0508 Lease of Farmers' Market Building at River Landing

GENERAL:

The proponent is deemed to have read and accepted all addenda issued by the City prior to the Deadline for Issuing Addenda.

ADDITIONAL Information, Questions and Answers:

- 1) What are the hours of operation for the City of Saskatoon - Purchasing Services Division, located at 222 Cardinal Crescent, over the holiday season?

The Hours of Operation for the City of Saskatoon - Purchasing Services Division are as follows:

- **Monday, December 23, 2019: 8am to 4:45pm**
- **Tuesday, December 24, 2019: 8am to 4:45pm**
- **Wednesday, December 25, 2019: closed**
- **Thursday, December 26, 2019: closed**
- **Friday, December 27, 2019: 8am to 4:45pm**
- **Monday, December 30, 2019: 8am to 4:45pm**
- **Tuesday, December 31, 2019: 8am to 4:45pm**

Please note that the Submission Deadline is Tuesday December 31, 2019 2:00:59 PM SK time. Proposals must be submitted at:

Purchasing Services
222 Cardinal Crescent
Saskatoon, SK S7L 6H8

- 2) **The deadline for submitting questions was Thursday December 12, 2019 2:00:59 PM SK time, and as such no further questions will be responded to.**

All other terms and conditions remain the same.

Amy Bernard
Buyer