

Marina Lease Request for Proposals (RFP) – FAQ

The District of Oak Bay and Oak Bay Marine Group (OBMG) have reached agreement-in-principle on a five-year lease extension (2023-27) for operation of the Oak Bay Marina. The District of Oak Bay's current lease with OBMG expires at the end of 2022.

The five-year extension will provide time for exploration of longer-term approaches to the site to create a lasting positive community legacy.

1. How did Council decide on the approach to finding a Marina Operator -- a Request for Proposal (RFP)?

Council had numerous ways it could approach the expiring lease: a Request for Proposal process, a Tender process, running the Marina as a municipal undertaking, a sale of the Marina assets, etc. Recognizing the community value of this iconic facility, Council determined that the best approach was to harness the power and creativity of the open market. The RFP process encouraged proponents to put forward responses potentially including a combination of new facilities, in-kind services, community amenities or rent revenue in return for use of the District-owned parking lot and buildings and a subleased water lot.

2. How does an RFP process work?

An RFP procurement is a distinctly different process than policy changes, planning engagements, or rezoning applications that change permitted land uses; these all legislatively require opportunity for public input. RFPs are not required to provide opportunity for public engagement.

The RFP procurement process was about negotiating a lease within the framework of *existing permitted uses* under the District's Zoning Bylaw.

For public entities, best practices require that a Request for Proposal process be undertaken in a way that ensures fairness. In this case, the requirements for fairness were met through the involvement of a procurement specialist and a third-party external fairness advisor. The identity of proponents was not revealed until after Council had completed scoring the proposals. Furthermore, proponent identities were not divulged during public feedback and proponents were required to not engage with the media through to the conclusion of the RFP process.

3. What role did the fairness advisor play in this RFP process?

The District demonstrated its commitment to the integrity of this procurement process by retaining procurement expertise, legal advice, and a third-party external fairness advisor. The entirety of the procurement process, including public engagement, was informed by the fairness advisor's input and oversight.

4. How was the RFP framework developed?

This procurement process was founded on the community values and vision declared in the District's Official Community Plan; the District's foundational policy document which itself was prepared with extensive public input.

Prior to undertaking public input on the Marina, the District commissioned detailed environmental and built asset reports which all proponents and the public had access to leading up to the RFP submission deadline.

The District recognized the Turkey Head visioning work undertaken by the Greater Victoria Placemaking Network (GVPN) and the Community Association of Oak Bay (CAOB) in 2017. The summary of feedback they received in 2017 was shared at a public Council meeting and as such forms part of the Corporate record. Therefore, this information was included in the package shared with RFP proponents as background information.

5. How did public engagement fit into the procurement process?

Typically, local government procurement processes do not include public input components. Due to the public's interest, and the significance of the Marina and surrounding lands to the community, the District invited public comment on this project through an online and paper survey. However, the nature of this procurement process was such that the financial details of the proposal and negotiations with the selected Proponent need to be kept confidential. A formal, public notice of disposition reflecting a lease extension agreement will be initiated in the months to come. The notice will include information on agreement terms.

6. How did the District reach out for public input?

Inviting public input as part of a procurement process is unusual for a local government but was appropriate in this case given the public interest and potential community amenities within the Oak Bay Marina surrounding lands and parking lot.

Council, seeking the broadest opportunity for public input and under the advice of procurement experts, decided to provide one large, well-advertised opportunity for public input on the community amenities offered by proponents. This approach allowed for extensive advertising to ensure the widest reach and highest level of awareness possible. The online questionnaires were

designed to encourage feedback on the specifics of each community amenity proposal as well as residents' vision, values, and other aspirational commentary. The response quantity (over 600 respondents) and quality were impressive. The detailed responses provided were helpful as negotiations got down to specific aspects, and the broader values were important to set the high-level goals and success measures.

Additionally, Council held a dedicated meeting (March 1, 2021) to invite public input.

Public input helped define priorities for the District's negotiations with the selected Proponent.

7. How did the District reach out to Songhees and Esquimalt Nations?

The District recognizes the historical connections that the lək'wəŋən speaking people, the Songhees and Esquimalt Nations, have to the land on which the District is located.

The Province has a duty to consult with First Nations in relation to proposed dispositions of Crown land that may affect the rights of the First Nation. What the District did, as a separate level of government with different and distinct responsibilities from the Province, was to stipulate respect for First Nations culture, language, traditions and world view as a lease objective and guiding principle, and to encourage proponents to engage with First Nations in formulating their response to the Request for Proposal. The negotiation process allowed for ongoing work to achieve these and other Reconciliation goals.

After the announcement of a preferred proponent in 2021, the District has made clear our desire to work with local First Nations on the future of this site. Ongoing respectful dialogue with First Nations remains a top priority for Council generally and will be important as next steps are considered.

The RFP process also provided an opportunity for First Nations to submit proposals.

The District continues to welcome dialogue with Songhees and Esquimalt Nations.

8. Can you confirm whether Songhees First Nation was a proponent?

Under the terms of the RFP, the District cannot disclose non-selected proponent identities until the RFP process has formally concluded. This will conclude when the lease extension agreement has been signed. The identity of all proponents were unknown during Council's response scoring process.

9. What is next in this process?

The District of Oak Bay and Oak Bay Marine Group are in the process of crafting a lease agreement that reflects agreed-upon terms and conditions. Once this is complete, the District will give formal notice including information on rents to be paid in accordance with Community Charter

requirements. The District can then sign off on the lease extension. Until the lease extension agreement has been signed, the RFP process will not have been formally concluded.

It will be up to the Council to be elected on October 15, 2022 to determine next steps for the marina site. Council's directions will determine the timing and scope of future steps.

As the District prepares for next steps, it will be guided by community values including dialogue with the original Peoples of the ləkʷəŋən Territory towards advancing strong relationships, prosperity, and stewardship of lands and waters. The District will also be guided by Provincial legislative requirements and broader responsibilities to Oak Bay taxpayers.

Summary

The District acknowledges the many different Indigenous rights-holders and community interests, objectives and aspirations for the Spewhung/Turkey Head site and looks forward to additional dialogue with all parties.

Those interested are invited to visit www.oakbay.ca/marina-lease-negotiations for related information.