



Town of Sidney Municipal Hall
2440 Sidney Avenue, Sidney,
BC V8L 1Y7
Tel: 250-656-1184

November 15, 2017

Town of Sidney

REQUEST FOR EXPRESSION OF INTEREST

**SIDNEY FIRE HALL DEVELOPMENT SITE
9837 THIRD STREET / 2477 SIDNEY AVENUE**

AND

**ADJOINING SURFACE PARKING LOT
9821 THIRD STREET**

The purpose of this Request for Expression of Interest (“**RFEOI**”) is to invite interested parties to submit an expression of interest for the acquisition of the Sidney Fire Hall property at 9837 Third Street and 2477 Sidney Avenue (the “Fire Hall Site”) and/or the adjoining surface parking lot at 9821 Third Street (the “Parking Lot Site”) located in downtown Sidney, BC.

The Fire Hall Site and the Parking Lot Site are owned by the Town of Sidney, which is hereby pursuing the disposition of the properties to maximize the proceeds available to offset the costs of the Town’s new Community Safety Building currently under construction.

Upon review of the submissions received, the Town of Sidney may proceed to the next stage in the disposition process, which could involve either a further bid process conducted with a short list of selected proponents or the selection of a single proponent adjudged to have made the best submission, based upon the applicable evaluation criteria (see the Evaluation Process and Criteria included herein).

Attached are the following documents to be used for reference by any proponent in submitting an expression of interest:

- Instructions to Proponents – outlines the submission requirements and the deadline for the receipt of submissions.
- Evaluation Process and Criteria – sets out the steps intended to be followed by the Town of Sidney after the time stipulated for delivery of submissions, confirms the Town’s decision-making process and describes the criteria that will guide the evaluation of submissions and the selection of successful proponents.
- Terms of Reference – provides background information for the properties and context for the RFEOI to assist and guide proponents.
- Non-Disclosure Agreement (Schedule “A”) – required to be signed and returned to the Town of Sidney in order for the submission to be considered and before any confidential information relating to the properties is provided.

As set out in the Instructions to Proponents, submissions must be in writing and will be received until 4:00 PM, Pacific Standard Time, on Wednesday, January 31, 2018. Submissions may be delivered in person to the Administration Department at the Town of Sidney Municipal Hall at 2440 Sidney Avenue or electronically by email to Mr. Randy Humble, Chief Administrative Officer, at the address: admin@sidney.ca.

All submissions are appreciated and receipt of same will be acknowledged. Subsequently, after the initial evaluation, the Town will contact only short-listed proponents, if any, to advance to the next step in the disposition process. Refer to the Evaluation Process and Criteria included herewith for further details as to the intended process after the time stipulated for the delivery of submissions.

INSTRUCTIONS TO PROPONENTS

1.0 Submission Requirements

- 1.1 All submissions must be in writing and will be received until 4:00 PM, Pacific Standard Time, on Wednesday, January 31, 2018.
- 1.2 Submissions may be delivered as follows:
 - (a) in person to the Administration Department at the Town of Sidney Municipal Hall at 2440 Sidney Avenue, Sidney BC, enclosed in a sealed envelope addressed to the attention of Mr. Randy Humble, Chief Administrative Officer; or
 - (b) by email sent to Mr. Randy Humble, Chief Administrative Officer, at the address: admin@sidney.ca. Note that file attachments ought not to be of a size in excess of 15 MB cumulatively as such may prevent the email transmission from being successful. Proponents should either ensure that such attachments do not exceed that file size limit or provide a secure link to such files via Dropbox or equivalent.
- 1.3 If relying on delivery by email, proponents should ensure that sufficient time is allowed for the transmission of the submission to be complete prior to the time stipulated above. The Town of Sidney will not be liable for any delay or for any damages associated with a submission not being received prior to the said time for any reason, including technical problems related to the proponent's internet connection or the Town of Sidney's network or email system.
- 1.4 Submissions should include the following:
 - (a) A statement of the proponent's interest in acquiring the Fire Hall Site or the Parking Lot Site or both;
 - (b) A summary of the key business terms proposed, including the purchase price, deposits, buyer's conditions (if any), condition removal date(s) and closing date.
 - (c) A description of the proponent's proposed development of the subject property with a preliminary conceptual plan. Proponents are encouraged to provide information with respect to the intended project's massing, architectural features, type of construction (e.g. wood-frame vs concrete and steel), approximate floor area, height, number and type of units, unit size

range, the location and number of parking stalls, amenities, adaptability and affordability.

(d) A statement of the proponent’s qualifications, including information in support of the proponent’s financial capability to complete the intended project, a review of the proponent’s development experience and a list of development projects completed by the proponent within the last ten (10) years.

(e) A preliminary list of the proponent’s intended team of consultants and/or contractors for the project, if such have been selected.

1.5 All submission materials delivered by the proponent become the property of the Town of Sidney from the time of delivery.

2.0 Confidentiality

2.1 For any proponent’s submission to be considered, the proponent must have completed and returned a fully executed Non-Disclosure Agreement (“NDA”) in the form attached hereto as Schedule “A” prior to the time stipulated herein for the delivery of submissions. The fully executed NDA should be scanned and delivered by email to Randy Humble, Chief Administrative Officer, at the following address: admin@sidney.ca.

2.2 Upon receipt of a signed NDA, the Town of Sidney may make available to the proponent additional technical materials concerning the Fire Hall Site and the Parking Lot Site. It is the responsibility of the proponent to deliver the NDA and to obtain the additional materials in a timely fashion prior to the time stipulated for the delivery of submissions.

2.3 The Town of Sidney recognizes the importance to proponents that their ideas and plans remain confidential for competitive reasons and to respect the parties’ privacy interests. The Town will endeavour to respect and protect the confidentiality of such information and materials and will treat the same as having been supplied in confidence within the meaning of section 21 of the Freedom of Information and Protection of Privacy Act of B.C.

2.4 The proponent may be provided access to confidential information of the Town of Sidney, which information is provided solely for the purpose of advancing the proponent’s submission in response to this RFEOI. Any use of such information by the proponent for purposes other than that so stated or in contravention of the NDA may result in the rejection of the proponent’s submission in addition to any other legal remedies available to the Town.

3.0 No Obligation to Proceed

- 3.1 Neither the conduct of this RFEOI, nor the receipt of a submission from any proponent by the Town of Sidney, implies an obligation on the part of the Town to respond to any submission or to enter into any agreement with a proponent. By making a submission, proponents expressly acknowledge that the proponent's expression of interest does not create a contractual relationship or other binding obligation between the proponent and the Town in relation to the purchase and sale of the properties that are the subject hereof. There is no duty on the Town of Sidney to negotiate the purchase and sale of the properties with any party.
- 3.2 The Town of Sidney reserves the right to cancel this RFEOI at any time and for any reason and will not be responsible or liable for any loss, expense, costs or damages incurred or suffered by a proponent as a result of that cancellation.

4.0 Proponents' Expenses

- 4.1 Proponents are solely responsible for their own expenses incurred in preparing and submitting a submission in response to this RFEOI and responding to the Town of Sidney during any subsequent stage in the disposition process for the subject properties, whether or not the proponent is successful in acquiring either of the subject properties.

5.0 Diligence by Proponents

- 5.1 Proponents must rely on their own due diligence in reviewing any materials or information contained or referred to in the RFEOI or otherwise provided by the Town of Sidney in any manner. Such materials and information do not constitute a representation or warranty by the Town as to the accuracy or completeness of any of the contents thereof and are not binding on the Town but are provided as a courtesy only.
- 5.2 Proponents are responsible for informing themselves as to the contents and requirements of this RFEOI. The onus is on each proponent to obtain and consider all information necessary to understand the requirements of the RFEOI and to prepare any submission accordingly.

6.0 Enquiries

- 6.1 All enquiries regarding the RFEOI should be directed in writing to Mr. Randy Humble, Chief Administrative Officer, via email to: admin@sidney.ca prior to the date stipulated for the delivery of submissions.

7.0 Solicitation of Elected Officials

- 7.1 No proponent or any representative of a proponent is permitted to make any solicitation or representation to an elected official concerning the properties that are the subject of the RFEOI or with respect to a prospective submission. Failure to adhere to this restriction by any proponent may be grounds for the Town of Sidney to reject that proponent's submission.

8.0 Public Statements

- 8.1 No proponent shall make any statement of fact or opinion regarding any aspect of the RFEOI or any resulting contract to the media or other member of the public without the prior written authorization of the Town.

9.0 No Collusion

- 9.1 Proponents are not to have any undisclosed interest in any other submission, either directly or indirectly, nor to have entered into any agreement with any other proponent or undisclosed party concerning the subject properties at the date of the submission.

10.0 Evaluation and Disposition Process

- 10.1 The Town of Sidney intends that after the time stipulated for the receipt of submissions, the Town will evaluate the submissions received and respond in accordance with the Evaluation Process and Criteria set out herein.

EVALUATION PROCESS AND CRITERIA

1.0 Evaluation Process

- 1.1 The Town of Sidney anticipates that the evaluation of submissions received in response to the RFEOI will involve a detailed review by senior staff members.
- 1.2 Thereafter, the submissions and any staff report related thereto will be considered by the Council for the Town, including the Mayor and Councillors. It is anticipated that the Town's Council will meet and deliberate in camera, make the decisions necessary after weighing the competing merits of the submissions and direct staff as to how and whether to proceed further with any of the proponents.
- 1.3 In its review of the submissions received, the Town may wish to obtain additional information from one or more of the proponents in relation to their submissions and reserves the right to engage in discussions to have the proponent explain and clarify some aspects of the proponent's submission and to discuss the proponent's willingness to adapt or modify the submission as deemed advisable by the Town.
- 1.4 The Town's objective is to select a short-list of proponents or a proponent adjudged to have made the best submission, based upon the established criteria, prior to the end of February 2018. Thereafter, the Town may, at its sole discretion, proceed with a further bid process and/or negotiate with one or more proponents in order to advance the purchase and sale of the subject properties, ultimately leading to the execution of a binding formal agreement.
- 1.5 Notwithstanding the foregoing or any custom or trade practice to the contrary, the Town of Sidney expressly reserves the right, in the exercise of its sole discretion and judgment as to what is in the best interests of the Town, to reject any and all submissions, to select one or more proponents with whom to advance negotiations and/or to waive any technical or formal defect in a submission and proceed to deal with same.

2.0 Evaluation Criteria

- 2.1 The Town of Sidney has adopted the RFEOI process to afford proponents flexibility in their approach to the proposed development of the subject properties. Proponents are encouraged to utilize their creativity, experience and expertise in designing a project that will achieve the highest and best use of the properties, thereby maximizing their value and contribution to the quality of life in the Sidney community.

- 2.2 The evaluation of the submissions will be based upon the following criteria:
- (a) The financial capacity and stability of the proponent;
 - (b) The depth of development experience of the proponent and the strength of the proponent's track record in relation to recent development projects;
 - (c) The merits of the proposed development in terms of its feasibility, architectural features, alignment with community goals and objectives and overall contribution to the vibrancy of Sidney's downtown core.
 - (d) The proposed purchase price for the property and the amount of the related deposits.
 - (e) The nature of the buyer's conditions, the relative uncertainty associated therewith and the length of the related condition period.
 - (f) The timing of the proposed closing date.
 - (g) The experience and depth of the proponent's intended team of consultants and/or contractors.
- 2.3 These stated criteria are intended to provide general guidance to proponents for the preparation of their submissions. The Town of Sidney will apply these stated criteria to all submissions fairly and without bias in its evaluation and decision-making process.
- 2.4 In its evaluation of the submissions, the Town of Sidney is not obligated to apply numeric weightings to the stated criteria formally or strictly and will exercise its discretion and judgment as to what is in the best interests of the community. In respecting the privacy interests and confidentiality requirements inherent in the RFEIOI process, the Town will not disclose the results of its evaluation of submissions to any proponent and will contact only those proponents whose submissions are short-listed.

TERMS OF REFERENCE

1.0 Introduction

The Town of Sidney is currently constructing a new Community Safety Building (“CSB”) on a site adjacent to the Patricia Bay Highway (#17) that will include, inter alia, a new fire hall to replace the existing facility on the Fire Hall Site. In order to partially offset the costs of the CSB, the Town is considering the sale of the Fire Hall Site and the adjoining Parking Lot Site.

The RFEOI invites interested parties to express their interest in the purchase and development of either the Fire Hall Site or the Parking Lot Site or both. If the results of the RFEOI are satisfactory, the Town’s intention is to move forward with the successful proponent(s) to enter into a binding agreement of purchase and sale in the spring of 2018.

2.0 The Town of Sidney

The subject properties are located in the downtown core of the Town of Sidney, which is a picturesque seaside community on the Saanich Peninsula, approximately 26 kilometers from the City of Victoria. With a population of 11,672, Sidney is one of 13 municipal jurisdictions that form part of the Greater Victoria metropolitan area, the total population of which is 367,770 (per Statistics Canada, 2016 census).

Just a 20-minute drive from downtown Victoria, Sidney is home to the Sidney-Anacortes (Washington, USA) Ferry Terminal and within a five-minute drive of both the Victoria International Airport and BC Ferries’ Swartz Bay terminal.

Commonly referred to as “Sidney by the Sea”, the Town’s flat, walkable, compact community (comprising just 5.1 square kilometers), picturesque shoreline and moderate climate make it a highly sought-after home for retirees as well as a popular year-round tourist destination.

Sidney’s population is skewed towards the region’s senior population, with 63% of its residents aged 50 and over and 41% in the 65-and-over age group. The population grew by 4.4% between 2011 and 2016, with much of the growth being focused in the downtown core within a few blocks on either side of Beacon Avenue.

The housing market in Sidney has experienced a significant increase in value in recent years, in step with the gains observed throughout the Victoria metropolitan area. Benchmark prices of single family homes, townhouses and condominium apartments in Sidney have been reported by the Victoria Real Estate Board as follows:

	<u>Oct 2017</u>	<u>Oct 2016</u>	<u>Oct 2014</u>	<u>3-Year Change</u>
Single Family	\$621,700	\$579,900	\$442,700	40.4%
Townhouses	\$557,200	\$483,400	\$390,100	42.8%
Condo Apartments	\$423,800	\$328,800	\$284,600	48.9%

The Town boasts many outstanding attractions and amenities including: a scenic 3.6-kilometer waterfront walkway; an historical museum; the Shaw Centre for the Salish Sea Aquarium; “Mineral World”; a 420-foot fishing pier; a superb artificial reef for divers to explore; enchanting street statues and murals; and a vibrant downtown boutique shopping district featuring a diverse collection of fashion stores, galleries, restaurants and bookstores. Sidney's spectacular waterfront and full-service marina supports all manner of ocean-related activities such as pleasure boating, kayaking, paddle-boarding, diving and fishing.

There are five hotels and motels in the downtown core serving the tourist market in Sidney, including the Sidney Pier Hotel & Spa, Sidney Waterfront Inn, Best Western Plus Emerald Isle Hotel, Sidney Travelodge and Cedarwood Inn and Suites, which together comprise a total of 283 rooms.

The retail shopping district is concentrated along the Town’s two primary east-west commercial arterial roads, Beacon Avenue and Bevan Avenue, and is anchored by the Beacon Plaza and Mariner Village Mall shopping centers. A new 100,000 square foot shopping center, to be called “Sidney Crossing”, has been approved at the intersection of Beacon Avenue and the Patricia Bay Highway, with construction expected to commence in early 2018.

The community’s other major economic drivers are its growing manufacturing and commercial/industrial sector, which is based in the West Sidney Business Park bordering the airport lands on the west side of the Patricia Bay Highway (#17), and its marine-focused industry centered in the Harbour Road Marine Business Park.

3.0 History of the Subject Properties

The Fire Hall Site was originally in residential use (in the early 1900s) but has been occupied by the Sidney Fire Department since circa 1938. The current fire hall structure was constructed in approximately 1990.

The Parking Lot Site was also previously developed for residential use but was occupied by a printing operation (Manning Press) from the early 1960s until approximately 1999. The building was demolished thereafter and the site has functioned as a surface parking lot for the past 15 years (+/-).

4.0 Site Description

The subject properties are located towards the eastern end of Sidney’s downtown core, in the first block north of Beacon Avenue and just two blocks from the waterfront.

The Fire Hall Site includes two contiguous legal parcels, including:

- 9837 Third Street
Parcel Identifier: 011-642-726
Legal Description: Lot 1, Section 11, Range 4 East, North Saanich District, Plan 46991
- 2477 Sidney Avenue
Parcel Identifier: 009-108-874
Legal Description: The Easterly 50 Feet of Lot 1, Block 10, Section 11, Range 4 East, North Saanich District, Plan 381

The Parking Lot Site is a single legal parcel:

- 9821 Third Street
Parcel Identifier: 011-642-726
Legal Description: Lot A, Section 11, Range 4 East, North Saanich District, Plan VIP79957

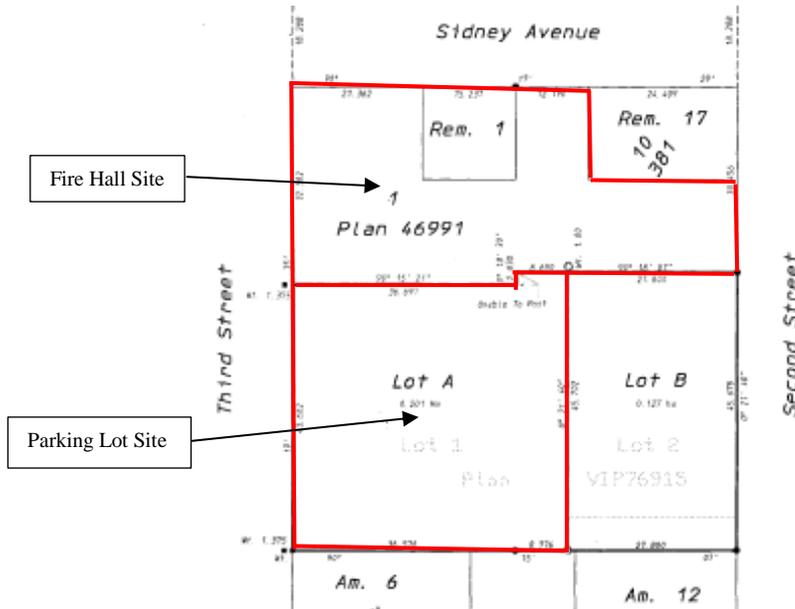
The size of the subject properties is as follows:

Fire Hall Site:	9837 Third Street	18,299 square feet
	2477 Sidney Avenue	<u>2,496</u> square feet
	Total area	20,795 square feet
Parking Lot Site	9821 Third Street	<u>21,636</u> square feet
Total area of combined site		42,431 square feet

The configuration of the subject properties (as shown in the plan and aerial photo following) demonstrates the potential synergy that could be achieved by combining the sites and developing them together. Each can also be acquired and developed separately.

The Fire Hall Site is L-shaped with 106.6 feet (32.5 meters) of frontage along Third Street, 160.1 feet (48.8 meters) of frontage along Sidney Avenue and 50.0 feet (15.2 meters) of frontage along Second Street. Its topography is substantially level.

The Parking Lot Site is rectangular in shape with 143.3 feet (43.7 meters) of frontage along Third Street and 148.8 feet (45.4 meters) of depth. It is also substantially level.



Aerial View of Downtown Sidney and Waterfront (From South Side Looking North)

5.0 Environmental / Hazardous Material Assessment

In anticipation of the eventual sale and redevelopment of the subject properties, a Stage 1 Preliminary Site Investigation was undertaken by WSP Canada Inc. in May 2017 for the Town of Sidney. The report concluded that there is a low potential for environmental concern at that time therefore a subsurface investigation in the form of a Stage 2 investigation was not recommended.

The Town of Sidney also retained Pinchin Ltd. to conduct a hazardous building materials assessment of the Fire Hall building. The assessment was undertaken on June 16, 2017. No asbestos containing materials were found in the building but specific recommendations were made with respect to other materials on site.

Copies of the WSP Canada report and the Pinchin report will be made available to proponents once a duly executed NDA has been delivered to the Town of Sidney's Administration Department.

6.0 Encumbrances on Title

There are three encumbrances on the title affecting the Fire Hall Site, specifically 9837 Third Street (Lot 1, Plan 46991) as follows:

- Restrictive Covenant EW52846 is appurtenant to the property at 9830 Second Street and prohibits any building or structure on the Fire Hall Site within five feet of the northern boundary of the property at 9830 Second Street.
- Easement EW52847 is a blanket easement over the entire property for the purpose of access and egress to the property at 9830 Second Street. The Town of Sidney anticipates that this encumbrance will be discharged from the title prior to completion of the sale of the property.
- Statutory Right of Way EX131644 is a charge in favour of BC Hydro to accommodate the hydro "works" in a defined area located along Second Street.

The Parking Lot Site is free and clear of any encumbrances, however the Town intends to register a covenant that will establish a minimum setback of 4.3 meters from the rear property line for space built above the ground floor to ensure that sufficient spatial separation is maintained from unprotected openings on the west side of the "Stone's Throw" condominium building at 9830 Second Street.

7.0 Improvements

The Fire Hall site is improved with a two-storey purpose built fire hall structure that was constructed in 1990 and comprises a total of 12,874 square feet (+/-). The building is occupied by the Sidney Fire Department, which will continue to operate from this facility until the new CSB is ready for occupancy, which is anticipated to be in the spring of 2019.

Upon the sale of the Fire Hall Site, the Town of Sidney intends that the building will be left clean and free of debris and that the Town would deliver possession of the facility to the buyer in “as is” condition upon the Fire Department’s relocation to the CSB site being complete.

It is expected that the buyer would be responsible for the demolition of the existing fire hall building thereafter in accordance with prevailing regulatory standards.

The Parking Lot Site is paved and used for public parking, with a total of 47 stalls provided.

The Town expects that any buyer of the Parking Lot Site will have to agree to provide not less than 30 paved parking stalls for public use in any development thereon, such commitment to be secured by way of easement, or an acceptable alternative, in favour of the Town of Sidney.

8.0 Zoning

Both sites are zoned “C1 Downtown Commercial”, which contemplates a “mixed use” development and includes the following provisions:

- Permitted uses: Variety of commercial uses including retail, restaurant, hotel, personal service and office. Dwelling units are permitted above the ground floor level.
- Minimum lot area: 250 square meters (2,691 square feet)
- Height:

Maximum	15 meters (49.2 feet), 4 storeys
Minimum	2 storeys
- Setbacks:

Front	1.0 meters (3.3 feet) minimum 4.5 meters (14.8 feet) maximum
Corner	4.5 meters (14.8 feet) minimum
Side exterior	1.0 meters (3.3 feet) minimum 4.5 meters (14.8 feet) maximum

- Base density: 2.40 Floor Area Ratio

Allows for buildable area of 49,908 square feet on Fire Hall Site and 51,926 square feet on Parking Lot Site, for a total buildable area of 101,834 square feet.

Note that pursuant to section 5.1.11 of the Zoning Bylaw (“Floor Area Exclusions”), the calculation of “Floor Area Ratio” excludes various areas for, inter alia, parking, storage and amenity areas for residents (such as meeting rooms or recreational or exercise facilities). See the Zoning Bylaw for details.

- Bonus density: 3.00 Floor Area Ratio

Increases the buildable area to 62,385 square feet on the Fire Hall Site and to 64,908 square feet on the Parking Lot Site, potentially bringing the total buildable area to 127,293 square feet.

Note also that an amenity contribution to the Town of Sidney is required for the use of bonus density (i.e. floor area in excess of the 2.40 Floor Area Ratio) at a rate of \$150 per square meter (\$13.935 per square foot).

9.0 Official Community Plan / Downtown Local Area Plan

The Official Community Plan recognizes that Sidney’s downtown core area, which encompasses the subject properties, is designated as a “Major Centre” in the Capital Regional District’s Regional Growth Strategy. Policy guidelines expressly “encourage residential intensification in the downtown core, above commercial development” and support “multi-family residential dwellings, as part of mixed-use development proposals... in Sidney’s downtown to enhance livability and vitality”.

The Fire Hall Site is designated as “Institutional” in the Land Use Map shown as Schedule C to the Official Community Plan, which reflects the Fire Hall’s long history on that site. The surrounding properties to the east, west and south, including the Parking Lot Site, are designated as “Downtown Commercial”.

The Downtown Local Area Plan similarly encourages “mixed use” development in the Sidney core, stipulating that retail and service commercial spaces be accommodated at street level with residential units above. This is a recurring theme that is aimed at increasing the vibrancy of the core and fostering “an active day and night time environment”.

The Local Area Plan anticipates the eventual relocation of the Fire Hall “to a site outside or on the periphery of the downtown” (per section 3.6.3) and designates both the Fire Hall Site and the Parking Lot Site as “mixed use” (per the Land Use Map included in section 3.2).

Prescriptive building heights are generally limited to four storeys off Beacon Avenue, with the fourth storey to be stepped back from the street. **Note however that additional height up to six storeys is contemplated “in the centre of blocks” to the north of Beacon, specifically encompassing the Parking Lot Site.** The Town recognizes that such additional height may foster enhanced building design, allow for superior ocean views and facilitate a development that takes full advantage of the bonus density contemplated in the C-1 zoning bylaw.

9.0 Vision and Goals for the RFEOI

The Town of Sidney wishes to receive expressions of interest from experienced, financially qualified developers to acquire the Fire Hall Site and/or the Parking Lot Site and undertake an outstanding development project thereon that achieves the following goals:

- Employs industry-leading best-practice project design principles;
- Fulfills the community vision for the site as articulated in the Official Community Plan and Downtown Local Area Plan;
- Takes full advantage of the site’s size and prominent downtown location;
- Generates positive long-term economic, environmental and social benefits;
- Realizes superior value for the Town consistent with the land’s “highest and best use”.

SCHEDULE A

NON-DISCLOSURE AGREEMENT

Name of Recipient: _____
(the “**Recipient**”)

Date: _____

Re: Sidney Fire Hall Property at 9837 Third Street and 2477 Sidney Avenue, Sidney BC and Adjoining Parking Lot at 9821 Third Street, Sidney BC (collectively referred to herein as the “**Properties**”)

WHEREAS:

- A. The Town of Sidney (“**the Town**”) has issued a Request For Expression of Interest (“**RFEOI**”) to encourage qualified parties to submit an expression of interest with respect to a potential acquisition of the Properties;
- B. For the purposes of evaluating a potential purchase transaction (a "**Transaction**") between the Recipient or any related persons or entities and the Town of Sidney ("**the Town**") in relation to the Properties, various materials and information (the “**Confidential Material**”) may be provided by the Town.
- C. The Town wishes to assure that there be no public disclosure of the Confidential Material, of the contents of any submission or of any discussions or negotiations concerning the potential sale of the Properties except in accordance herewith.
- D. It is acknowledged that maintaining the privacy of all aspects of the RFEOI and of any communications associated therewith is crucial in relation to the Town’s competitive position and to the privacy interests of all parties who respond to the RFEOI.
- E. As a condition of and prerequisite for the Town’s disclosure of the Confidential Material with respect to the Properties to any party and the Town’s acceptance of a submission from such party, the Town requires that this Non-Disclosure Agreement be executed and delivered to the Town in advance.

NOW THEREFORE the Recipient and the Town of Sidney agree as follows:

1. The Recipient will treat confidentially the Confidential Material including any information that the Town or Town's advisors furnish to the Recipient, whether furnished before or after the date of this Agreement, whether furnished orally or in writing or gathered by inspection, and regardless of whether specifically identified as "confidential".
2. The Recipient will not use the Confidential Material for any purpose other than the exclusive purpose of evaluating a Transaction and will not disclose the Confidential Material except to those of the Recipient's directors, officers, employees or professional advisors who need to know such information for the purpose of evaluating a Transaction. The Recipient agrees that the Confidential Material will not be used in any way detrimental to the Town and that such information will be kept confidential by the Recipient and the Recipient's representatives and advisors.
3. Except as required by applicable law, the Recipient will not, without the prior written consent of the Town, disclose to any persons other than the Recipient's professional advisors who need to know such information either the fact that a submission has been made or that discussions or negotiations are taking place concerning a potential Transaction.
4. Except as required by applicable law, the Recipient will not, without the prior written consent of the Town, disclose any of the terms, conditions or other facts with respect to any potential Transaction, including the status thereof.
5. The Recipient will be responsible for any breach of the terms hereof by the Recipient's directors, officers, employees, representatives, agents or professional advisors.
6. The Town will not be obliged to disclose any information in response to the Recipient's request, all such information being provided strictly at the unfettered and absolute discretion of the Town.
7. The obligation to hold the Confidential Material and such other information provided by the Town in confidence does not extend to information that becomes generally available to the public other than as a result of a disclosure by the Recipient or any persons bound hereunder.
8. No failure or delay by the Town in exercising any right hereunder shall operate as a waiver thereof.
9. The term "person" as used herein shall be broadly interpreted to include, without limitation, any corporation, company, partnership or individual.

10. The terms hereof will remain in effect for a period of ten years from the date of this Agreement regardless of whether or not a Transaction is ever entered into or consummated with the Recipient or any other party.
11. The terms hereof shall be governed and construed in accordance with the laws of the Province of British Columbia and any laws of Canada applicable hereto.

Executed by the Recipient by its authorized signatory
this ___ day of _____, 2017:

Name of Signatory (please print): _____

Position of Signatory: _____

Executed by the Town of Sidney by its authorized signatory
this ___ day of _____, 2017:

Randy Humble, Chief Administrative Officer