



The Central Shenandoah Planning District Commission

112 MacTanly Place
Staunton, Virginia 24401
www.cspdc.org

Request for Proposals

Shenandoah Valley

Agricultural Enterprise Center Feasibility Study

March 16, 2020



Request for Proposal for Consulting Services

SECTION 1: INTRODUCTION & INSTRUCTIONS TO PROPOSERS

1.1 Purpose

The Central Shenandoah Planning District Commission (CSPDC) is seeking qualifications from consultant firms to undertake a feasibility study for the establishment and operation of an Agricultural Enterprise Center in the Shenandoah Valley of Virginia. Responding firms are asked to submit their qualifications to undertake the study, their understanding of the tasks and issues, and their approach to accomplishing the study.

1.2 Timeframe and Key Dates

RFP issued by CSPDC	March 16, 2020
Proposal due	April 16, no later than 4:00 PM EDT
Consultant contract issued	May 2020

1.3 Inquiries & Proposals

Respondents should submit 3 hard copies and one electronic copy (pdf) of the proposal. All inquiries related to this request must be delivered to the Primary Contact:

Bonnie S. Riedesel, Executive Director
Central Shenandoah Planning District Commission
112 MacTanly Place
Staunton, VA 24401
Phone: (540) 885-5174 ext. 102
Email: bonnie@cspdc.org

All proposals must be received no later than 4:00PM EDT on April 16, 2020 and shall not exceed a total of twenty (20) pages. The CSPDC reserves the right to reject any or all responses to this Request for Proposals and to ask for clarification regarding the proposal should the need arise. Any and all costs incurred in the preparation of the Proposal will be the responsibility of the respondent and will not be reimbursed by the CSPDC.

The CSPDC does not discriminate against faith-based organizations in accordance with the Code of Virginia, 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by the state law relating to discrimination in employment.

1.4 Review & Recommendation for Award

The recommendation for award will be made by the CSPDC in partnership with the Ag. Enterprise Center Feasibility Study Team. The Study Team comprised of representatives from both the private and public sectors, will review the submittals, may interview finalists, and provide related resources and communication that will benefit the feasibility study. The final selection and contract award will be by



the Central Shenandoah Planning District Commission, which will provide notice of the award of the contract by email to all respondents.

To be considered for selection, respondents must submit a complete response to the Request for Proposal outline in Section 2, should be as thorough and detailed as possible and should include a project development schedule/timeline. The following criteria will be used in evaluating the responses to this RFP:

Review Criteria	Weight
Credentials of personnel and experience with similar studies	10%
Understanding of the project	30%
Approach for carrying out the study	30%
Clarity of proposal and demonstrated ability to write clearly and in lay language	10%
Fee for completing the project	20%

SECTION 2: SCOPE OF WORK

2.1. Background Information

For many years, agriculture has been the region’s greatest economic asset and its influence on the regional economy cannot be overstated. The central Shenandoah Valley region spans seven counties, has nearly one million acres of farm land, and 6,312 farms. The majority of farms are small to midsize (10-200 acres) and four of the top five agriculture producing counties in Virginia are located within this region (Rockingham, Augusta, Shenandoah and Page). The 2017 USDA Census of Agriculture shows that while market value of agricultural products has increased, the number of farms, land area in farming, and the average size of farms in the region have all decreased. This is true in the Shenandoah Valley and illustrates the threat to small and midsize farm operations that necessitate diversification in business models in order to sustain economic viability.

2.2. Project Summary

This project is intended to support business diversification and growth in the Shenandoah Valley of Virginia through value-added products and the delivery of agricultural goods and products to new markets. Initial ideas for uses and services at the Agricultural Enterprise Center include a food hub, commercial kitchen, food lab/testing kitchen, flash freeze facility, training and event space, retail store for products made at the facility, packaging, distribution operations, and business planning. The study will explore physical locations for the facility, structure a business plan, and determine the necessary business resources to make this a successful project for the region and its food entrepreneurs and farmers.

The Shenandoah Valley presents an opportunity for the agricultural sector to grow in a new and innovative way and the Agricultural Enterprise Center has the potential to significantly accelerate this growth. This multi-use facility is intended to help growers and producers expand their market area, bridge the market gap, and pool together products to meet market demands. It may also reduce some of the risk and burden of facility building and management by any one operation while extending the selling season and increasing revenues. The primary geographic region to be covered by the study will include the jurisdictions below.

Counties: Augusta, Bath, Highland, Page, Rockbridge, Rockingham and Shenandoah

Cities: Buena Vista, Harrisonburg, Lexington, Staunton and Waynesboro.

2.3 General Scope of Work

The Consultant shall conduct and complete an information-rich feasibility study that identifies specific facility components and uses and, if recommended, how to bring this project to fruition. Phase One will explore what facilities, tools, and technology are needed to increase farm revenue; determine how the facility will support the development of value-added products and reduce market-barriers; identify the optimal location; and define the economic impact of the project on the region. Phase Two will focus in more detail on the recommended business plan, including capital costs, facility plan, operational and management plan, financial pro forma, architectural renderings, and other recommendations for a successful Ag. Enterprise Center. Although it is expected that the research in Phase One will support the study's continuation into Phase Two, the CSPDC reserves the right to determine whether to proceed with Phase Two based on Phase One findings. Similarly, the CSPDC reserves the right to extend the contract for additional related services beyond this initial feasibility study.

The goal of the CSPDC is to provide the Study Team and the region's localities with a comprehensive business model and roadmap for further facility implementation. Funding for this study is provided by a U.S. Department of Agriculture Local Food Promotion Program grant and an Enhanced Capacity grant through GO Virginia Region 8.

2.4 Specific Requirements

In carrying out the study, services/tasks could include, but are not limited to, the following:

1. Phase One: Phase One will consist of the investigation to determine if a regional Agricultural Enterprise Center can be economically viable, and if so, what the key attributes are that will determine success.
 - a. Regional needs assessment: Gain regional knowledge and understanding of need.
 - i. Conduct a review of existing documents, plans, and strategies in the Region to identify significant agricultural drivers of the existing economy and growth trends of these drivers. This will result in a better understanding of the economic impact of the facility, including how many jobs are projected to be created and sustained.
 - ii. Determine if the regional stakeholders (farmers, producers, local governments, elected officials, and other stakeholders) believe there is a need for an Agricultural Enterprise Center and if the need is a priority to the expansion and continuation of agriculture in the Shenandoah Valley.
 - iii. Determine the type and level of resources that will be needed for a viable agriculture center.
 - iv. Determine the ability of the region/project stakeholders to marshal these resources successfully.
 - b. Market analysis: Determine who the consumers are, where they are located, and what level of consumption is realistic, etc.
 - i. Consumer demographic and related data analysis

- ii. Market survey(s)
 - iii. Other
 - c. Inventory of related existing facilities and programs: Determine best practices of comparable facilities located regionally and nationally.
 - i. Determine where these facilities are located and what services they provide.
 - ii. Identify potential partnership opportunities with facilities nearby.
 - d. Recommendation of facility: Build upon the needs assessment to determine who the facility users are, what services would benefit their business, and potential location of facility.
 - i. Conduct a user survey(s) to determine what type of facility would best serve the region's agricultural producers and entrepreneurs. Information from this survey and additional resources will determine building(s) infrastructure and technologies and prioritize the facility's uses.
 - ii. Inventory available sites with identified advantages and disadvantages to each.
 - iii. Determine where the facility should be located and, if applicable, what improvements should be made to the site and its existing infrastructure.
- 2. Phase Two: The expectation for Phase Two is that, assuming Phase One indicates that a regional Ag. Enterprise Center is viable, the firm(s) will build on the information gathered in Phase One to recommend the preferred business model/plan for the facility, to include but not be limited to the following.
 - a. Market study: Complete the final market study report with any updates or modifications to the defined market area.
 - b. Brand: Recommend the project's general brand and suggest a facility name
 - c. Promotional and marketing plan: Recommend how to strategically market the Ag. Enterprise Center to users and final destination markets.
 - d. Organizational structure: Identify the facilities ownership, governance structure and key employee roles.
 - e. Operations plan:
 - i. Specify role of identified partner organizations
 - ii. User criteria and recommended framework for how a user will pay and contract with the facility
 - iii. Performance measures
 - iv. Other on-premise activities - how, what, when, etc.
 - f. Facility plan/design: Architectural renderings and/or concepts and functions within the spaces
 - g. Financial plan:
 - i. Facilities estimated capital costs

- ii. Recommendations for capital funding
 - iii. Financial pro forma for operations
 - iv. Financial backstop, if needed
- h. Project phasing/implementation strategy: Should the facility be developed in phases and, if so, what are the recommended phases?

2.5 General Requirements

Proposals should be as thorough and detailed as possible so that the Study Team may properly evaluate the capabilities of respective firms to provide the required services. Price will be considered as part of the evaluation process along with the following evaluation criteria:

A. Qualifications

- a. Firm History and Organization: Please provide the history and organization of the firm. If more than one firm will be involved, specify what company will have the lead on the study and overall responsibility for the work product. If your proposal includes a team of companies or subcontractors, please specify each company/subcontractor, what role they will play, and what the relationship will be to the prime contractor.
 - b. Personnel:
 - i. For each firm, identify and provide concise bios for key project personnel.
 - ii. Please specify the individual who will have primary oversight/responsibility for the work product, and if different, please specify who will be the primary contact.
 - c. Experience: Provide a description of each firm's background as it relates to the subject of this RFP. In particular, please indicate any previous experience with feasibility studies, business plans, or planning for agricultural or manufacturing facilities. Also please include any previous experience with a) state government, b) local government or c) agriculturally based organizations. This information should include:
 - i. Project name and address;
 - ii. Description of services provided, and
 - iii. Contact person and telephone number
- B. Understanding of Tasks: Please outline your firm's understanding of the tasks involved in carrying out this study, as well as issues raised and any problems that may be encountered.
- C. Approach to the Work: Please describe your firm(s) proposed approach to providing services.
- D. Availability: The CSPDC would like to begin work as soon as a contract for services is completed. Please address the availability of your firm(s) and key personnel to meet this requirement.

Thank you for your interest in this project.