



# Business Development Opportunity

**Peggy's Cove**

**111 Peggy's Point Road**

**DNS(BDO)-2122-0007**

**Posting Date: April 14, 2022**

**Closing Date: May 2, 2022, 2:00 PM ADT**

**Submissions to:**

**[procurement@developns.ca](mailto:procurement@developns.ca)**

## Opportunity

Develop Nova Scotia is seeking local artists, makers, and craftspeople to submit proposals to operate the newly restored deGarthe Studio at 111 Peggy's Point Road in Peggy's Cove. Proposals should be focused on operating the deGarthe Studio as a mix of art gallery and accessory retail space, providing a location for the production, display, and sale of quality local, hand-crafted products that represent the natural and/or cultural identity of Peggy's Cove and Nova Scotia.

Proposals are to be emailed to [procurement@developns.ca](mailto:procurement@developns.ca) no later than May 2, 2022 at 2:00 PM Atlantic. Email subject lines must read "DNS(BDO)-2122-0007". Late submissions will not be accepted.

An optional site visit will be conducted on April 21, 2022 starting at 10:00 AM Atlantic. The meeting point will be on the boardwalk just outside of the DeGarthe Studio. All public health protocols must be adhered to - masks will be mandatory for all participants. A virtual tour of the building is also available [here](#).

This BDO process may be conducted in two stages. The result expected will be Develop Nova Scotia entering into a license agreement with the successful operator(s) to provide a platform for their business and vision in this unique and high-potential location. This BDO is the first stage of the process. Its purpose is to obtain innovative responses from suitably qualified potential operators. The precise nature and timing of any potential second-stage process is at Develop Nova Scotia's sole discretion. Invitations to participate in the second stage will be based on the responses to this stage of the BDO.



## About Develop Nova Scotia

Develop Nova Scotia is the Province's Crown Corporation, responsible for leading sustainable development of high-potential property and infrastructure across our province to drive economic and population growth.

Our mission is to support the creation of sustainable places across Nova Scotia that attract people and inspire investment. We focus on planning, development, and management of land and infrastructure by, for, and with people. When focused on working and building with community, we develop strong places that are intensely local, inclusive, and environmentally sustainable.

Learn more about what we do and how we do it at [developns.ca](https://developns.ca).

## Peggy's Cove Infrastructure Improvement Strategy

Peggy's Cove is one of Nova Scotia's most magnetic attractions, an active fishing village, and home to year-round residents. Its popularity has created long-standing challenges related to safety, accessibility, and community sustainability.

Develop Nova Scotia has been working with the community of Peggy's Cove since 2018 to plan and implement a first phase of infrastructure improvements to support these challenges and the pressures of high visitation. Our job is to work with community to create and leverage enabling infrastructure to support and balance the needs of the living community and active fishing village with the those of the many visitors attracted to the Cove. This work aims to support community sustainability while also creating platforms for increased economic activity and a business case for private investment in and around the village.

Learn more about our work with the community of Peggy's Cove [here](#).

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### VISION FOR THE COMMUNITY OF PEGGY'S COVE



**Peggy's Cove is a world-class fishing village. People feel proud to live here, families thrive here, and residents benefit financially from hosting the world.**

**Peggy's Cove is a visually authentic and beautiful community with the appropriate physical infrastructure (roads, washrooms, garbage collection, etc.).**

**Peggy's Cove has effective, clear, and fair rules, regulations, and governance to manage the community first, while accommodating tourism demands so that visitors enjoy their experience and learn about the "real" Peggy's Cove.**

## Background

This modest fish-store-style building was used for many years as William deGarthe’s art studio. deGarthe, originally from Finland, came to Canada in 1926 and eventually took up residence in Peggy’s Cove. He focused on marine painting, including both the stark coastline and the people who live and work here. During this time, deGarthe created, displayed, and sold much of his work out of small studio buildings, including the building that is the subject of this BDO. Following his death in 1983, his wife Agnes continued the sale of prints from the studio building.

Much needed improvements of the historic deGarthe properties were identified as an important aspect of community history for preservation through our planning work with the community. Now owned by the Province, the deGarthe Studio was repaired and restored in 2020-2021 as part of the provincial investment in infrastructure improvements in Peggy’s Cove. Additional work in this area of the village includes a new common space that includes new public washrooms, sidewalks, and boardwalk. This work contributes to revitalizing the heart of the village—creating a common space for community and visitors to gather and to support new community and commercial opportunities.

During the planning process, residents and other participants recognized its long-standing art-related use and expressed support for this type of use in the building in the future.



### GUIDING PRINCIPLE

**Community first:  
ensure commercial use  
of deGarthe Studio  
respects and aligns with  
the artistic history of the  
building and the village.**



## Detailed Description of the Opportunity

Peggy's Cove carries a unique identity as one of Nova Scotia's most magnetic attractions and a living, year-round community and fishing village. It's a place where people feel proud to live, families thrive, and residents and local businesses benefit from it being one of the most visited destinations in Atlantic Canada. The purpose of this BDO is to allow Develop Nova Scotia to partner with potential operators to deliver a seasonal gallery and accessory retail experience focused on offering locally-made products for residents and visitors of Peggy's Cove. The intent for the deGarthe Studio to offer locally-made art and/or artisanal products is in keeping with the unique history of the studio itself, which originally functioned as a working studio.

The deGarthe Studio provides a space where the operator(s) can create, showcase, and sell their hand-crafted products, ideally allowing visitors to engage with the artists themselves in some way and potentially observe the products at some stage of their creation.

The deGarthe Studio is to be operated as-is with minimal improvements or alterations made to the building itself by the successful operator(s).

Given the seasonal operating parameters of this opportunity, the successful operator(s) will be requested to follow a minimum pre-arranged operating season, commencing operations each season May 15, remaining in operation through October 15 in each year of the term of the agreement. Operators are able to commence operations earlier, and remain in operations later, at Develop Nova Scotia's sole discretion. If more time is required to prepare for the initial season, please indicate that in your response.

**The term length of this opportunity is one year and Develop Nova Scotia reserves the right to offer the successful operator(s) up to two single-year renewals at Develop Nova Scotia's sole discretion, for a maximum term length of up to three years.**



## Description of the Building

The deGarthe Studio is an approximately 729 square foot (27 feet x 27 feet) timber-framed historical studio. Nestled in the heart of the Peggy's Cove community, it sits immediately between the newly built boardwalk along the edge of Peggy's Point Road and the inlet of Peggy's Cove Harbour, overlooking the community's working harbour (also known as the head of the Cove).

The building was restored in 2021 and features a new roof, new windows, new entrance doors, new electrical wiring and interior lighting **and is designed for seasonal occupancy**. There are several 15-amp outlets arranged around the perimeter of the interior. Any further wiring or electrical fit-up would be the sole responsibility of the successful operator(s).

## Desired Outcomes

Develop Nova Scotia seeks interested operators that share a desire to support economic development in Peggy's Cove, operating a gallery-related business that offers high-quality locally-made art, crafts, and/or products. Operations should also create opportunities for employment and contribute to the engagement and memorable experiences of locals and visitors.

Proposals that do not meet Develop Nova Scotia Operator Requirements and expectations will not be considered.

Should none of the proposals received satisfy Develop Nova Scotia's outcome and or deliverable requirements, or for any other reason, Develop Nova Scotia reserves the right to terminate this BDO without award.

## Operator Requirements

The proposed operator should:

- operate a high-quality business or marketplace focused on locally-made art and craft products that provides visitors to Peggy's Cove with authentic products and experiences.
- provide a memorable experience for visitors with regard to customer service, product quality, and perceived value.
- provide an experience that will motivate return visits.
- have consistent and reliable hours of operation.
- complement other permanent and seasonal businesses in Peggy's Cove.

- generate economic activity by creating sources of employment and income.
- encourage the production and sale of Nova Scotian **and/or Atlantic Canadian products** and services whenever possible.
- employ business practices and engage in partnerships that are socially responsible and environmentally sustainable.

## Process Outline and Selection Criteria

Potential operators are to submit a proposal no more than 10 pages in length. Proposals should include, and will be evaluated on, the following criteria:

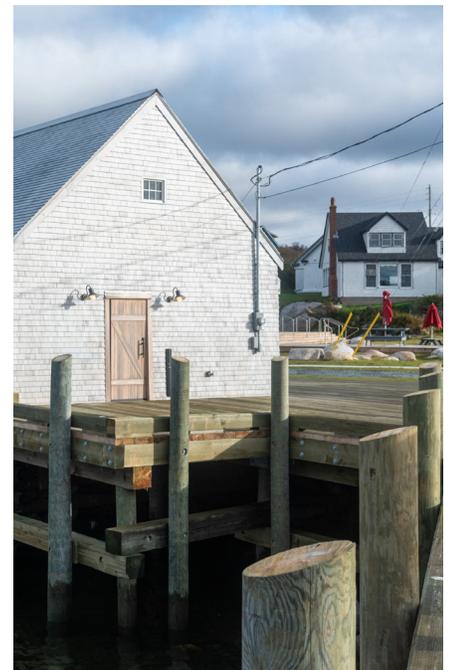
**Strategic Alignment (20% of overall score)** - The operators Develop Nova Scotia will partner with will understand what is important to the Peggy's Cove community and Develop Nova Scotia and will detail how they will accomplish the Operator Requirements detailed above. Proposals should address how the operator's values and goals align with those of the Peggy's Cove community and Develop Nova Scotia. Two great resources that could be used to build a better understanding is through Develop Nova Scotia's [Peggy's Cove Infrastructure Improvement Strategy](#) and Develop Nova Scotia's [2021/2022 Business Plan](#).

**Business Concept (20% of overall score)** - If you build it, will they come? Proposals must define what you propose to do within the building, how you propose to do it, safely of course, proforma financial statements for the proposed operation, and why the deGarthe Studio is the perfect place for us to partner.

Potential operators should include proposed hours of operation, activities that would occur and how those activities further enhance the current offerings within Peggy's Cove, and any other information relevant to the proposed operation. Keep in mind, sometimes a picture, sketch, or illustration can be worth a thousand words.

**Business Experience (20% of overall score)** - Potential operators are to describe how their business experience is relevant to their proposed business concept, how their efforts promote greater social responsibility and environmental stewardship, and how their successes have had a positive impact on their community.

Potential operators should include a description of the potential operators' operational capacity and capability to proceed with the proposed operation, including but not limited to existing staff, infrastructure, financial, and other resources available to the potential operators.



Potential operators should also include a description of the experience and expertise of the proposed management team that is relevant to and will be directly involved in the proposed operation.

### **Added Value (20% of overall score)**

**Accessibility:** Potential operators should include a description of how their proposed operation will prevent and remove accessibility barriers within the building and their operation.

- **Disability:** Includes a physical, mental, intellectual, learning, or sensory impairment, including an episodic disability that, in interaction with a barrier, hinders an individual's full and effective participation in society.
- **Barrier:** Anything that hinders or challenges the full and effective participation in society of persons with disabilities, including a physical barrier, an architectural barrier, an information or communications barrier, an attitudinal barrier, a technological barrier, a policy, or a practice.

**Sustainability:** Develop Nova Scotia seeks to work with suppliers and businesses who have the knowledge and capacity to support and apply the principles of sustainability to their own operations. Potential operators should describe how their operations will be delivered in a sustainable manner (e.g. considering greenhouse gas reduction, waste diversion and reduction, worker health and safety, and local economic development).

**Social Responsibility:** Social responsibility comes in many forms. Both large and small businesses, regardless of industry, can make a big difference within their community. Potential operators should explain how they make a social difference. This could include but is not limited to your respect and support of social and cultural difference, of diversity, equity and inclusion, charitable partnerships, and volunteer efforts.

**Creativity and Innovation:** Potential operators should include the ways in which their operation is truly creative, innovative and unique. This could include, but is not limited to aesthetics, layout, innovative technologies, green technologies, customer safety and experience, and entertainment value.



**Financial Proposal (20% of overall score)** – Submissions should include a base monthly license fee proposal as well as a proposed percentage of gross sales. A revenue forecast must be provided for the first year of operations.

Develop Nova Scotia has a desired base monthly license fee of \$1,000+HST per month for this space. Potential operators are able to propose a higher base monthly license fee in an attempt to achieve a higher score on their financial proposal. Potential operators are also able to propose a lower base monthly license fee provided they can demonstrate positive community benefit to the residents and businesses of Peggy’s Cove.

Base monthly license fees are only payable May through October in each year of the term, and the months of May and October are billed at 50% of the proposed base monthly license fee. For example, the desired base monthly license fee would be billed as follows:

**May: \$500 + HST**

**June: \$1,000 + HST**

**July: \$1,000 + HST**

**August: \$1,000+ HST**

**September: \$1,000 + HST**

**October: \$500+ HST**

**November: No base monthly license fee**

**December: No base monthly license fee**

**January: No base monthly license fee**

**February: No base monthly license fee**

**March: No base monthly license fee**

**April: No base monthly license fee**

Potential operators should provide a description of their financial capacity to carry out the business proposed, including available equity, lines of credit, business loans, etc. This can include such documentation as signed letters from banking institutions.

**Merchants’ Marketing and Promotion Fund:** In the event that Develop Nova Scotia establishes a Merchants’ Marketing and Promotion Fund, the Licensee shall be required to participate in such program by paying to Develop Nova Scotia an additional percentage license fee equivalent to 0.5% of the Licensee’s gross sales plus applicable taxes as the Licensee’s contribution to the Merchants’ Marketing and Promotion Fund. Merchants’ Marketing and Promotion Fund contribution payments are to be paid at the same time as Percentage License Fees, the 15th day of the month following the month in which the sales occurred. Develop Nova Scotia would then match licensee contributions to the Merchant Marketing and Promotion Fund.

Should Develop Nova Scotia establish a Merchants' Marketing and Promotion Committee, the Licensee would be entitled to appoint a representative to participate on such committee.

Appendix A - Submission Form, signed by an authorized organizational representative, are to be included with all proposals.

## Terms and Conditions

All Develop Nova Scotia [BDO terms and conditions](#) apply to this call for proposals.

## Form of Lease

The form of lease that will be used to detail the relationship between Develop Nova Scotia and the selected operators is available [here](#). This form of license is subject to change at Develop Nova Scotia's sole discretion.

## Questions

Questions related to this call for proposals should be directed to:

John MacKenzie  
Develop Nova Scotia Property Manager

[john.mackenzie@developns.ca](mailto:john.mackenzie@developns.ca)



## Appendix A - Submission Form

### Operator Information

Please fill out the following form, naming one person to be the operator's contact for the BDO process and for any clarifications or communication that might be necessary

**Full Legal Name of Operator:**

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**Other Names under which  
Operator Carries on Business:**

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**Street Address:**

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**City, Province:**

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**Postal Code:**

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**Phone Number:**

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**Company Website (if any):**

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**Operator Contact  
Name and Title:**

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**Operator Contact Phone:**

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**Operator Contact Fax:**

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**Operator Contact Email:**

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**Nova Scotia Registry  
of Joint Stock Number:**

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**HST/GST Registration Number:**

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**SIN# (required if you do not have  
HST/GST or NSRJST number):**

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