



Date: July 30, 2003

**TO: Board Members - Parks and Recreation**  
**FROM: General Manager - Parks and Recreation**  
**SUBJECT: THE TEAHOUSE RESTAURANT AND SEASONS IN  
THE PARK - ASSIGNMENT OF LEASES**

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## **RECOMMENDATION**

THAT the Board approve the assignments of the Teahouse Restaurant and Seasons in the Park Restaurant from Sequoia Enterprises Inc to Ferguson Point Restaurant Inc and Q.E. Park Restaurant Inc. effective December 13, 1997.

## **BACKGROUND**

Mr Brent Davies, President of Sequoia Enterprises Inc. has operated the Teahouse Restaurant at Ferguson Point in Stanley Park since 1977 and Seasons Restaurant in Queen Elizabeth Park since 1990.

On November 3, 1994 the Board approved a rent for the Teahouse Restaurant for the five year term January 1, 1995 - December 31, 1999 of 5¼% of total gross revenue, a payment in lieu of property taxes, and an option for a further five year term (January 1, 2000 - December 31, 2004) at which time the rent will be reviewed.

On March 13, 1995 the Board approved a rent for Seasons in the Park Restaurant for the five year term March 1, 1995 - February 29, 2000 of 5¼% of total gross revenue. There will be a rent review if the option for the next five year term (March 1, 2000 - February 28, 2005) is exercised and a payment in lieu of property taxes will be introduced at that time. On October 27, 1997 the Board approved that the lessee make improvements to Seasons in the Park Restaurant totaling \$351,000 and in return agreed to an option for a further five year term (March 1, 2005 - February 28, 2010).

## **DISCUSSION**

Mr Davies has written to the Board requesting assignments as follows:

1. The Teahouse Restaurant presently operated by Sequoia Enterprises Inc. becomes Ferguson Point Restaurant Inc.
2. Seasons in the Park Restaurant presently operated by Sequoia Enterprises Inc. becomes Q.E. Restaurant Inc.

Mr Davies has stated that there would be no change in ownership and the changes are being made for legal and tax reasons. He has requested that the changes be backdated to December 13, 1997; their financial year-end. Sequoia Enterprises Inc. will remain the sole operator of each of these companies and there is no change in the shareholders.

Our solicitor has drawn up documents for the assignment for both restaurants which will be executed upon approval by the Board.

#### **SUMMARY**

According to our leases for both restaurants the Board has to give written consent for any assignment or sublease, which cannot be arbitrarily or unreasonably withheld.

Prepared by:  
Administrative & Revenue Services Division  
Board of Parks & Recreation  
City of Vancouver  
PJ