



Date: September 28, 2004

TO: Board Members - Parks and Recreation
FROM: General Manager - Parks and Recreation
SUBJECT: Vancouver Rowing Club Parking Lot - Renewal of Operating Agreement

RECOMMENDATION

- A. THAT the Board enter into an operating agreement with the Vancouver Rowing Club to extend the term of the current operating agreement for the use of the parking lot in Stanley Park for the period September 15, 2004 to August 30, 2007.*
- B. THAT the annual use fee be set at \$19,188 plus tax for the period September 15, 2004 to September 14, 2005, with annual increases thereafter that reflect the rate of inflation for each of the following years.*
- C. THAT no legal rights shall arise and no consents, permissions or licenses are granted hereby and none shall arise or be granted hereafter unless and until all contemplated legal documentation has been executed and delivered by all parties.*
- D. THAT once the form of all legal documentation has been approved by the General Manager and Director of Legal Services for the City of Vancouver, that the General Manager be authorised to execute and deliver such documentation on behalf of the Board.*

POLICY

Under the terms of its 1987 development permit, the Vancouver Rowing Club (the Club) is required to provide 46 parking spaces in Stanley Park for its members. To fulfill this requirement, the Board has in the past granted to the Club the right to use the small parking lot adjacent to its clubhouse.

BACKGROUND

The Club sub-leases from the City of Vancouver the two foreshore lots (approximately 4.5 acres) on which its clubhouse and wharves have been erected. These sub-leases expire on August 30, 2007.

The City provides a rent subsidy to the Club in respect of these subleases and charges it a nominal annual rent of \$2. This arrangement is currently under review by the City.

The Club has been granted the right to use the parking lot, pursuant to an Operating Agreement with the Board, dated September 15, 1999. The lot has 46 parking stalls, is managed by the Club and the parking in it is reserved for Club members. The term of the Operating Agreement for the parking lot expired on September 14, 2004. The Club has requested that it be renewed for the period from September 15, 2004 until the expiry of its sub-leases from the City on August 30, 2007.

DISCUSSION

Annual charge

The charge to the Club for using the parking lot for the year to September 14, 2004 was \$18,849. Annual increases over the five year term of the previous operating agreement have been equivalent to the rate of inflation.

Annual increases during the new agreement term will be based on the Consumer Price Index for Vancouver. The Club has agreed with this basis of calculation of the parking charges. The proposed charge for the year to September 14, 2005 is \$19,188 plus tax.

This proposed charge is the equivalent of \$417 per parking stall. This charge reflects the value of a reserved lot, provided by the Board in a prime area of Stanley Park, close to the park entrance.

In comparison, Royal Vancouver Yacht Club (RVYC) is the only other club that has reserved parking for its members in Stanley Park. There are 73 stalls reserved for RVYC members in the parking lot by its marina. The rest of this lot is open to the public. RVYC pays the Board an annual amount of \$29,239 plus tax to allow all of its members to park in Stanley Park while using RVYC facilities. This rate is based on the price of 160 annual parking passes for Stanley Park (approximately one pass for every two boats at RVYC's Coal Harbour Marina), adjusted to reflect seasonal use and overnight parking privileges. RVYC paid for the construction, and subsequent upgrade, of this lot. These expenditures were taken into account in setting this annual charge. The annual charge to RVYC is equivalent to \$400 per reserved stall, or \$183 per pass.

Members of the public currently pay \$175 plus tax (\$200) for an annual parking pass valid anywhere in Stanley Park.

Operating Agreement

A provision will be included in this, and any future, Operating Agreement with the Club that its rights shall cease concurrently with the expiry or termination of the City's lease with the Federal Government of the foreshore lots which are subleased by the Club. If this occurs, the Board and the City will have no obligations or liabilities to the Club. All other terms and conditions of the Operating Agreement shall be to the satisfaction of the General Manager and the City's Director of

Legal Services.

At its meeting on September 27, 2004, the Finance Committee discussed the proposed extension of the operating agreement for the Club's use of this parking area and adopted a motion to recommend it to the Board for approval.

SUMMARY

The **Finance Committee** is recommending that the Board approve the proposed extension of the operating agreement with the Club.

Prepared by :

Revenue Services
Stanley District
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