

Date: January 17, 2007



TO: Board Members – Vancouver Park Board
FROM: General Manager – Parks and Recreation
SUBJECT: False Creek Waterlot License

RECOMMENDATIONS

- A. THAT the Park Board enter into a license agreement with the False Creek Harbour Authority to permit use of the False Creek Fishermen's Waterlot – Plan 84-53 for entry and exit into a portion of Burrard Marina, based on the Terms identified in this report;*
- B. THAT the General Manager be authorized to execute this agreement subject to the terms being satisfactory to the Director of Legal Services.*

BACKGROUND

In 1984 the City of Vancouver entered into a 19 year agreement with the Department of Fisheries and Oceans (DFO) to use the False Creek Fisherman's Waterlot to access a portion of the Burrard Marina. The license area is shown on Plan – 84-53. The fee was \$25 annually.

The license agreement expired on June 30, 2003.

In advance of the license expiry staff contacted DFO and were informed that DFO has leased their interests in False Creek including this waterlot to the False Creek Harbour Authority beginning in 1998 for four 5 year terms.

Staff began negotiations with the Harbour Authority in 2003 and, although the negotiations have been protracted, the parties are in agreement with the terms being proposed in this report.

DISCUSSION

When DFO licensed the waterlot to us in 1984 the Park Board was considered another level of government and the license fee was nominal. The False Creek Harbour Authority's (FCHA) mandate is different in that they are responsible to manage DFO's interests in land/water under the lease at no cost to DFO. In order to do this they need to raise revenues to offset the costs of their work. With the input of the City's real Estate Division, various City-owned leases were assessed to assist in determining an appropriate

rate for the use of the waterlot. The subsequent negotiations and the agreement to the fee being proposed reflected a rate that both recognize the Park Board's role in supporting recreational boating and the needs of the Harbour Authority to generate additional revenue.

The proposed terms of the license agreement are as follows:

- authority for vessels to use the waterlot for the purposes of entering and exiting a portion of Burrard Civic Marina
- a five year term from December 1, 2003 to November 30, 2008 running concurrently with the terms of the lease between DFO and the FCHA
- fee for the term to be \$15,000 plus GST for the first year and increased by 2% each of the following years
- the fee for the period of time between July 1, 2003 and November 30, 2003 will be prorated at \$6,125.
- automatically renew the license agreement for a further five years with a further 2% increase in each year of the term to be renegotiated if either party considers the circumstances have changed
- other standard clauses as may be required
- users of the waterlot will share the use of the waterlot, operating in a safe and proper seaman-like manner

The prior year payment of the waterlot license fee of approximately \$52,000 plus GST and the payment for December 1, 2006 to November 30, 2007 of approximately \$15,900 plus GST, will be absorbed in the 2007 operating budget for the Burrard Civic Marina.

SUMMARY

Staff recommend the proposed terms and fee for the license to use this waterlot to access a portion of Burrard Civic Marina.

Prepared by:

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