



Beach Chair & Umbrella Rental Service at English Bay Beach

Pilot Program Contract Award

PARK BOARD
COMMITTEE MEETING

May 16, 2016



THAT the Vancouver Park Board approve a two-year pilot program agreement for Blue Hole Investments to operate a beach chair and umbrella rental service at English Bay Beach, with an option to extend the agreement for a further two-year term, subject to the following terms and conditions:

- A. THAT the fee structure be set at 10% of gross revenues in Year 1 and 15% in Year 2;
- B. THAT all legal documentation be in a form which is satisfactory to the Director of Legal Services for the City of Vancouver and the General Manager of the Park Board;
- C. THAT the General Manager be authorized to execute and deliver such documentation on behalf of the Board; and
- D. 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.

BACKGROUND



Beach Chair & Umbrella Rentals

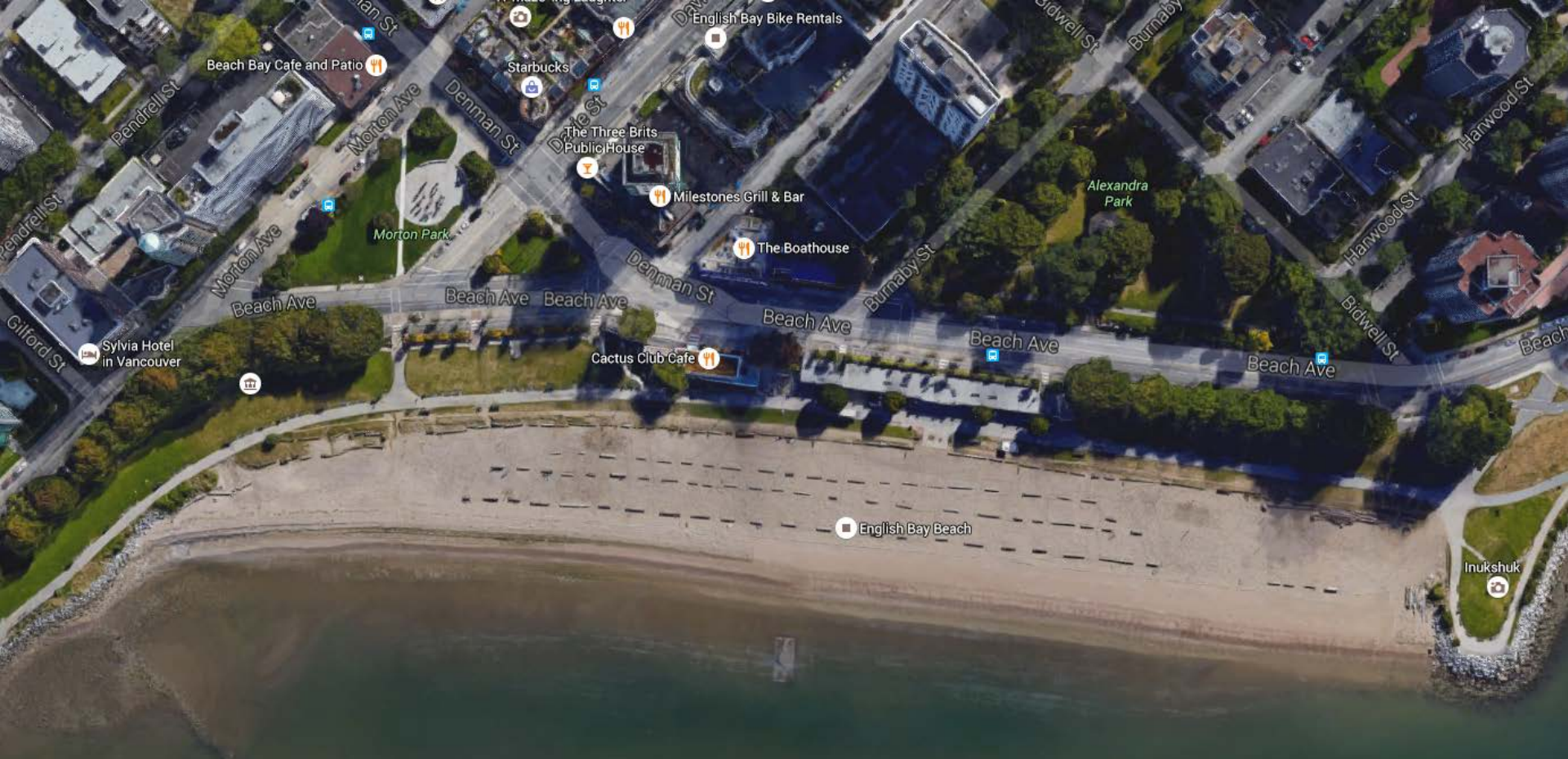
- Readily available at beach and park destinations worldwide
- Make beaches and parks more inviting; enhance experiences:
 - Providing a valued service
 - Enhancing convenience
 - Delivering sun protection
- Aligned with Park Board goals:
 - Activates park space
 - Benefits the public
 - Generates revenues to support parks and recreation system



Beach Chair & Umbrella Rentals

- Pilot program provides opportunity to test concept:
 - Market appeal
 - Business viability
 - Learning opportunity
- English Bay Beach identified as ideal pilot location:
 - Popular; not over-saturated
 - Proximity to downtown core; Vancouver's tourism industry





English Bay Beach

PROCUREMENT & SELECTION



- Public process (Request for Expressions of Interest)
- Posted March 11; closed April 15, 2016
- Received two comprehensive proposals
- Reviewed by selection committee; key criteria included:
 - Proposed business concept
 - Proven company track record and relevant experience
 - Financial capability
 - Ability to meet Park Board requirements and sustainability goals
- Preferred submission received from Blue Hole Investments

- Canadian-owned hotel management company
- Operates two boutique hotels in Central America; one recently received 2015 Hotel of the Year Award in Belize
- Familiar with offering high quality and efficient beachside services; committed to expanding its network of service-based businesses
- Company is experienced, possesses supplier relationships, and has access to responsible and motivated seasonal staff

Key Proposal Components



- **Term:** Initial two year term plus option to extend for two more years
- **Fee:** Park Board to receive 10% of gross revenues in Year 1 and 15% in Year 2
- **Services:** Beach chair and umbrella rentals; also offer related value-added products/services
- **Approach:** Small footprint; full service model; no limitations to public access
- **Pricing:** Competitive with services in other cities; variable pricing
 - \$7.50 per hour for chair and umbrella
 - \$25.00 per day for chair and umbrella

■ Branding



■ Service Start-up/Launch

- 50 chairs
 - 40 conventional chairs (57x100cm)
 - 10 lounge-style chairs (57x172cm)
- 25 umbrellas (198cm)
- Supplied by Frankford Umbrellas

Key Proposal Components

- Equipment
 - Feature fabric and wood
 - Very appealing and classic aesthetic



SUMMARY & NEXT STEPS



THAT the Vancouver Park Board approve a two-year pilot program agreement for Blue Hole Investments to operate a beach chair and umbrella rental service at English Bay Beach, with an option to extend the agreement for a further two-year term, subject to the following terms and conditions:

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