



BURRARD CIVIC MARINA

2020 Fees & Charges

Park Board Committee Meeting
Monday, March 9, 2020



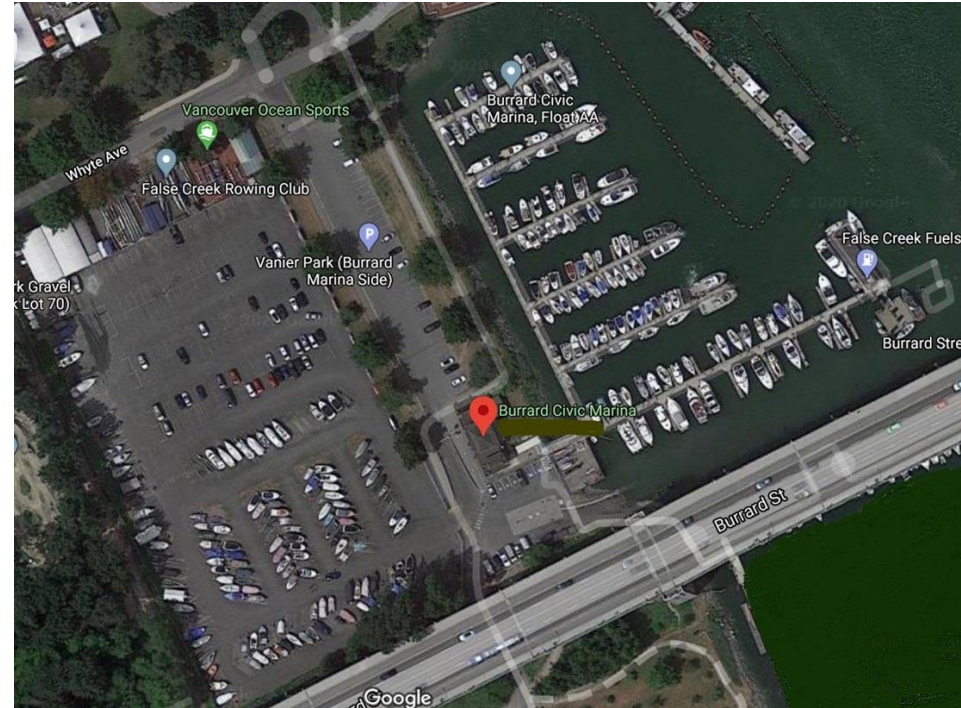
- To update the Board on 2019 appraisal findings and recommendations for Burrard Civic Marina moorage and storage rates;
- To seek the Board's approval of the proposed Burrard Civic Marina fees and charges for the new one(1) year licence term effective April 1, 2020, and;
- As part of the annual Fees & Charges review process, seek that the Board approve a policy for establishing fees at Burrard Civic Marina.

■ Background

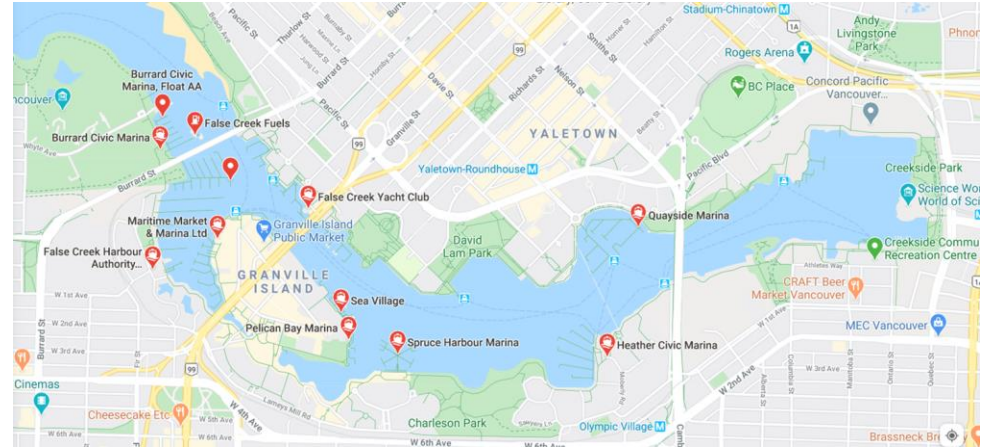


- Built in 1964, Burrard Civic marina is under lease from the Province to the City of Vancouver;
- 30 year lease effective April 1, 2016; annual rent 4% of gross revenue from water lot and 8% from the upland value.
- Servicing over 900 patrons, amenities and services include:
 - 423 moorage slips
 - 83 canoe & kayak racks
 - 169 land storage spaces
 - 136 secured free parking stalls
 - 4 non motorized watercraft compounds
 - Dinghy storage
 - work areas
 - free pump out
 - staff assistance
 - member washroom & showers
 - fuel barge
 - on site security

- Depending of size of vessel wait lists range between 1-4 years;
- \$3.5M+ in capital and maintenance improvements to marina floats, hydro and electrical systems completed in 2019.
- Heather & Burrard marinas to be reviewed for further capital Investments in 2020.



- March 2019 working group established to set parameters for a greater Vancouver marina market rate review
 - 2 Marina members at large
 - 2 Burrard Civic Marina Association members
 - 2 Park Board staff
 - Appraiser from Altus Groups



- The scope of the appraiser's assessment included:
 - inspection of the marina and the surrounding neighbourhood;
 - review of physical, legal, social, political, economic and other factors that could affect the rental value;
 - market research conducted on various marinas in Greater Vancouver;
 - Review of written and verbal information obtained from a variety of sources considered reliable;

- @ 2019 semi-annual Burrard Civic Marina patrons meetings, status and progress of the appraisal was discussed, with questions and concerns addressed by working group members.

- Appraisal made available to all members in January 2020

- Six (6) of the twenty-five (25) marinas surveyed ranked “superior” to Burrard Marina, which itself is considered to be “good”
- Factors considered: infrastructure age, number of berths, availability, slip size, marina services, nearby amenities, parking, and location
- Based on the average moorage estimated, depending on length, \$12 - \$14 /ft/ month could reasonably be expected
- Based on the average storage rates, \$6 - \$8 /ft/month for land storage and \$2 - \$2.75 /ft/ month for canoe & kayak could reasonably be expected

- Depending on size and use, as of June 2019:
 - Moorage undervalued approximately 1.5% to 2%
 - Land storage fees undervalued approximately 9% to 32%

Comparison of 2019 Monthly Rates to Estimated Market Value			
Burrard Civic Marina	2019 Rates \$/ ft	Market Value \$/ ft	Difference
Moorage			
Slips 21' and under	\$11.82	\$12.00	1.52%
Slips 22' and over	\$13.49	\$13.75	1.93%
Land Storage			
Boats & Rowing Pens <= 1,200 ft ²	\$5.20	\$6.00	15.38%
Boats & Rowing Pens > 1,200 ft ²	\$7.36	\$8.00	8.70%
Canoe & Kayak Racks (Single)	\$1.52	\$2.00	31.58%

- Factoring 2019 inflationary conditions (estimated at 2%), currently moorage rates at Burrard Marina are approximately undervalued a total of 3.5% -4%
- Given accommodations by marina patrons during capital and maintenance improvements, recommended that 2% inflationary increase be applied to the 2019 moorage rates
- To reduce the 9% - 32% gap between the 2019 land storage rates and estimated market values, increases of 5% - 7% applied over the next 2-5 years as part of the Annual Fees & Charges review process.



- As part of the annual Fees & Charges review process, Park Board suggested policy for Burrard Civic Marina:
 1. using annual CPI as a benchmark indicator, rates adjusted as required to ensure the recoverability of operating costs
 2. Every five (5) years a third-party review be undertaken to ensure comparable market conditions.

- A. THAT the Vancouver Park Board approve the Burrard Civic Marina rates for the new one (1) year licence term effective April 1, 2020, as outlined in this report and attached as Appendix A; and
- B. THAT the Vancouver Park Board approve policy for establishing fees at Burrard Civic Marina whereby, as part of the annual Fees & Charges review process, rates are adjusted as required to ensure the recoverability of any changes to operating costs, using the annual Consumer Price Index (CPI) as a benchmark indicator, and that every five (5) years a third-party review be undertaken to ensure rates remain in line with comparable market conditions.

- A. THAT the Vancouver Park Board approve the Burrard Civic Marina rates for the new one (1) year licence term effective April 1, 2020, as outlined in this report and attached as Appendix A; and
- B. THAT the Vancouver Park Board approve policy for establishing fees at Burrard Civic Marina whereby, as part of the annual Fees & Charges review process, rates are adjusted as required to ensure the recoverability of any changes to operating costs, using the annual Consumer Price Index (CPI) as a benchmark indicator, and that every five (5) years a third-party review be undertaken to ensure rates remain in line with comparable market conditions;
- C. THAT paddler and rower user groups are involved in the review of the rates and usage of facilities prior to any fees changes being applied to those users.

