
CITY OF KELOWNA

MEMORANDUM

Date: December 12, 2002
File No.: 0870-20

To: City Manager

From: Civic Properties Manager

Subject: Proposed Queensway Marina Lease

RECOMMENDATION:

THAT City Council instruct Staff to finalize a lease with Grant Developments Ltd. to construct, own and operate a marina at the foot of Queensway Avenue.

AND THAT the 2003 budget be so amended.

BACKGROUND:

This report covers the re-issuance of an earlier cancelled RFP for a proponent to own and operate a marina operation at the foot of Queensway Avenue. In response to this new RFP (T02-89) call the City had two interested parties, Grant Developments Ltd and 381713 BC Ltd. These submissions were reviewed and evaluated by Joe Creron, Parks Manager and Jim Waugh, Civic Properties Manager. Further reviews were held with David Graham, Director, Parks and Leisure Services and Ron Reiter, Purchasing Manager to ensure fairness in the selection. Both submissions met the mandatory requirements of the RFP and were then rated based on the selection criteria.

The criteria and ratings are summarized on page two of this submission. I have also attached an overview of each proponent's plan. Note that in the plan from 381713 BC Ltd. they have shown a 6000 square foot retail building adjacent to the boardwalk. Due to the development potential of the waterfront in this area we do not recommend acceptance of this option. Discussion with the proponent indicated it would not alter their submission meeting all the requirements of the RFP.

Both proposals met the City's selection criteria and were evaluated to be relatively equal in the design and quality of the facility and services provided. With both at a similar score the deciding factor in the above recommendation was the rent offered. Grant Developments has offered \$2,100 per month (\$25,200 pa) while 381713 BC has offered \$1,000 per month (\$12,000 pa).

Therefore it is recommended that Council direct staff to negotiate a lease with Grant Developments Ltd. based on the content of RFP T02-89 and their RFP submission.

Jim R. Waugh
Civic Properties Manager

CC. Director of Parks and Leisure Services
Deputy Director of Finance

Proposed Queensway Marina Lease

Selection Criteria	Grant Developments Ltd.	381713 BC Ltd.
Facility design & quality <ul style="list-style-type: none"> concrete main wharf finger wharfs fuel wharf building fuel tank 	Yes, Yr. 1 – 8' X 166' Yr. 2 – extend to 192' Yes, concrete Yes, Yr. 1 – existing upgraded Yr. 2 – new, 35' X 100' Yes, Yr. 1 – existing upgraded Yr. 2 – new, 480 sq.ft. Yes, to meet all current codes and standards	Yes, 8' X 250' Yes, concrete Yes, 32' X 80' Yes, 1,200 sq.ft. Yes, to meet all current codes and standards **
Services offered <ul style="list-style-type: none"> fueling concession boat rentals day moorage public restrooms Sanitary pump-out fresh potable water 	Yes Yes, detailed list provided Yes, pricing provided Yes, 15 spots Yes, two provided Yes Yes	Yes Yes, summary provided Yes, pricing provided Yes, 15 spots Yes, no details Yes Yes
Moorage provided <ul style="list-style-type: none"> Rentals Day moorage future wharf expansion 	Meets RFP requirements Meets RFP requirements Yes, at proponents option	Meets RFP requirements Meets RFP requirements Yes, at proponents option
Proponent experience <ul style="list-style-type: none"> fueling rentals moorage rentals 	Yes, existing operation Yes, existing operation Yes, some experience	Yes, existing operation Yes, existing operation Yes, multiple operations
Rent offered <ul style="list-style-type: none"> Monthly 	\$2,100 (25,200 pa)	\$1,000 (\$12,000 pa)

** 381713 BC Ltd. additionally offered a 6,000 square foot commercial marine showroom, concession and washroom facility adjacent to the boardwalk. The proposal evaluators recommended rejection of this option because of the future development potential of this area. No additional rents were offered for