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# City of Kelowna

## MEMORANDUM

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**DATE:** September 17, 2004  
**FILE:** 0890-20  
**TO:** City Manager  
**FROM:** Civic Properties Manager  
**SUBJECT:** "Old Surtees Property" Request for Proposals / Expressions of Interest

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### RECOMMENDATION:

THAT staff be directed to issue a 'Request for Proposals / Expressions of Interest' for use of the "old Surtees" property located at 4629 Lakeshore Road.

### BACKGROUND:

In 2002, the City assumed full ownership of the former Surtees property at 4629 Lakeshore Road. The 4.05 acre site included the Ritz Café, Surtees Barn and several outbuildings.

Last year, the City cleaned up the property, including the removal of several outbuildings. The Ritz Café (built in 1910) and the Surtees Barn (built in 1927) have been left standing pending Council's decision as to these buildings' long-term role on the site. Both buildings have heritage value, and as such, have been placed on the Kelowna Heritage Register.

The property is listed in the Official Community Plan for Park purposes and Bellevue Creek runs through the property.

The Community Heritage Commission has recommended that Council direct staff to explore opportunities available for the potential adaptive re-use of the house and barn.

### DISCUSSION:

The "old Surtees" property presents a significant park development opportunity. It is therefore important that due consideration be given to the impact and potential related to retaining the heritage buildings. The adaptive re-use of the building must be compatible with the future park use of the property, with the surrounding commercial, institutional and residential land uses and must respond to market realities.

To assist in identifying market realities, it is suggested that a "Request for Qualifications / Expressions of Interest" be issued. From that process, the City could select a handful of potential developers who would be invited to prepare a detailed proposal for development of the "old Surtees" property, as per previous Council-identified objectives. The City could then assess submissions on the basis of how well they respond to civic priorities.

To assist in ensuring that proposals are compatible with the future park use of the property, proper heritage conservation practices and the surrounding land uses, it is suggested that the RFP incorporate the attached adaptive re-use objectives.

A process such as that outlined above could, if started before the fall of 2004, be concluded by the end of that year.

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Jim Waugh  
Manager, Civic Properties

Attachment

cc     Parks Manager  
         Community Development and Real Estate Manager  
         Manager, Policy Research & Strategic Planning  
         Director, Parks and Leisure Services  
         Director, Planning and Corporate Services

## **Attachment:**

### **“Old Surtees” Property Adaptive Re-Use Objectives - Draft**

The City of Kelowna is seeking submissions for the future use of two heritage buildings located at 4629 Lakeshore Road and leasing the same from the City. The City is not offering any capital or operating subsidies. The City will assume normal landlord responsibilities for exterior maintenance and major capital repairs, as well as the maintenance and upkeep of the property.

The City is seeking submissions proposing the use of the buildings and the property that would be acceptable to the City and would be permitted by registering a Heritage Revitalization Agreement on the title of the property. The Heritage Revitalization Agreement must be approved by City Council and would outline the negotiated duties, obligations and benefits of using the buildings and property for revenue generating purposes. The proposed operation must be compatible with but not limited to the uses permitted in the City's P3 – Parks and Open Space zone.

Through the Heritage Revitalization Agreement process, the City will consider proposals to construct additional buildings on the property. Any additional buildings developed on the property must match or complement proportions, forms, materials, and heritage elements of the existing heritage buildings. All new buildings must be built at no cost to the City of Kelowna.

The City wishes to achieve a number of objectives by placing a long term tenant in these buildings, including:

- Adding value, interest and activity to the park experience throughout the year;
- Providing services to park visitors;
- Create a positive image for the park and the City of Kelowna;
- Retain the heritage buildings in an attractive and well maintained condition;
- Improve park security;
- Conserve a part of Kelowna's built heritage;
- Increase general awareness of the significance of heritage issues.

The lease term offered shall be no less than five years and no more than ten years. Terms proposed that are longer than five years will have to go through the Counter Petition process as per Section 172.1 of the Local Government Act.

It is envisioned that the proponent shall provide, at its own expense, any renovations and equipment required for the proposed use. This includes the installation and removal of the same at the expiry of the lease term, returning the area to a condition acceptable to the City.