
City of Kelowna

MEMORANDUM

DATE: October 28, 2005

FILES: 0917-20-026
0550-01

TO: City Manager

FROM: Special Projects Planning Manager

**SUBJECT: KELOWNA YACHT CLUB MOORAGE AND BREAKWATER LEASE
EXTENSIONS**

REPORT PREPARED BY: HAZEL CHRISTY, SPECIAL PROJECTS PLANNING MANAGER

RECOMMENDATION:

THAT staff be directed to prepare a lease agreement between the City and Kelowna Yacht Club, for the Floating Breakwater, the Moorage Basin and Pensioner's Wharf located on lands described as Blocks C, D, and E of Lot 1527, Lot 1313 O.D.Y.D., Lot 2 D.L. 4083 O.D.Y.D. Plan 8654 and part of Lot A, D.L. 139 O.D.Y.D. Plan 16592, at the west end of Doyle Avenue, Kelowna, BC, that contains substantially the same terms as the current lease and extends the termination date to the 31st day of July, 2017;

AND THAT the lease agreement between the City and Kelowna Yacht Club for the Floating Breakwater, the Moorage Basin and Pensioner's Wharf make provision for the removal of the moorage nearest the shore to accommodate Stuart Park, if required by the final park plan, and replacement moorage elsewhere within the Moorage Basin;

AND THAT staff be directed to prepare a lease agreement between the City and Kelowna Yacht Club for the lands described as Lot A D.L. 139 O.D.Y.D. Plan 5027 and part of Lot A D.L. 139 O.D.Y.D. Plan 16592 (YACHT CLUB BUILDINGS) that contains substantially the same terms as the current lease and extends the termination date to December 31, 2010;

BACKGROUND & COMMENTS:

The current lease agreements between the City and the Kelowna Yacht Club are due to expire on December 31, 2007. According to the lease agreements, the Kelowna Yacht Club may apply to the City for a further renewal by July 1, 2006 and the City must reply by July 1, 2007 as to whether it will agree to a renewal and if so, under what terms and conditions. All agreements pertaining to the clubhouse buildings, the moorage and the floating breakwater contain similar terms and are concurrent in that they expire on December 31, 2007.

Breakwater and Moorage Basin

The Yacht Club would like to make some improvements to the floating breakwater that would serve a number of objectives including creating a safer sailing channel for children in the junior sailing program, adding approximately 16 additional berths, and installing a pump out facility that would serve all boaters on the lake. In order to plan for these improvements, the Yacht Club would like to extend the existing lease term beyond December 31, 2007. The City acknowledges the value of the Kelowna Yacht Club's presence on the downtown waterfront and wishes to see this continue for the long term. In order to facilitate the Yacht Club's long term planning for the future of the floating breakwater and the moorage basin, staff are recommending that the leases between the City and the Yacht Club covering the floating breakwater, the moorage basin and the pensioners wharf be extended to July 31, 2017 which is the termination date of the City's lease from the Crown for Blocks C, D, and E of Lot 1527 and Lot 1313 O.D.Y.D. that it sub-leases to the Yacht Club.

The current Stuart Park plan also calls for the removal of the row of berths nearest to the shoreline. In addition to facilitating the planned park improvements, the removal of this row of berths will contribute to water quality improvement in this area. The revised lease must make provision for the removal of the berths and their relocation elsewhere within the moorage basin. The Yacht Club has indicated that they will not be funding the replacement moorage.

Because the recommended lease extension to the floating breakwater and moorage basin is beyond five years, Council is required by legislation to go through an alternative approval process with respect to the recommended lease. The alternative approval process (previously referred to in the *Local Government Act* as the "Counter-Petition process") is open to all qualified electors in the City, estimated to be 82,080, based upon the most recently available census data for Kelowna. Approval of the electors will be obtained if the number of elector responses received by the end of the alternative approval process is less than 10% of the number of electors (8,208).

The alternative approval process is open to the public for 30 days after the day the last advertisement was published. The additional documentation and staff directives required by the alternative approval process will be brought forward to Council with the revised lease documents for Council's approval.

Yacht Club Building

While recent improvements to the existing building will serve the Yacht Club in the short to medium term, city staff and members of the Long Range Planning Committee of Kelowna Yacht Club have been exploring options for a future clubhouse building that would serve the Yacht Club's needs in the long term. Future plans for the second phase of Stuart Park show the clubhouse building located north of its present location. Several means of achieving this have been discussed and are still under discussion, however both parties feel that an extension of the

existing lease covering the buildings and the property they are situated on to December 31, 2010 will give the additional time required by both City and Yacht Club to identify a preferred option and allow each party time to prepare the necessary financial plans.

Hazel Christy, MBA, MCIP



D.L. Shipclark
Manager, Community Development & Real Estate

HC/sh
Encls.

cc: Director of Parks & Leisure Services (*via e-mail*)

Attachments:



Breakwater Lease
sch A.pdf (18...



Water Lots sch
B.pdf (179 KB)



Pentioners Warph
sch C.pdf (17...



Yacht Club sch
D.pdf (224 KB)