CITY OF KELOWNA

MEMORANDUM

Date: May 7, 2007 **File No.:** 2380-20

To: City Manager

From: Property Manager

Subject: City Park Concession

RECOMMENDATION:

THAT City Council approves a two year lease with three one-year options to renew, based on the attached criteria, in the City standard format with "Mooney Supply Inc." for the lease of the City Park Concession;

AND THAT the Mayor and City Clerk be authorized to execute the lease;

AND THAT the 2007 Financial Plan be amended accordingly.

BACKGROUND:

Civic Properties issued a Request for Proposal # T07-005 for the operation of the concession at City Park. Site visits were held with a number of proponents, however the only bid received was from Mooney Supply Inc.

The proposal meets all the criteria set out in the RFP including the requirement for healthy food choices as well as making the Pavilion Concession wheelchair accessible.

Base Terms of Lease Agreement for Mooney Supply Inc. for the City Park Concession

Term: 2 years (May 1, 2007 – April 30, 2009)

Renewal: Three one-year renewal options at the tenants request and the

City's discretion.

Rate: 2007 - \$10,800

2008 - \$12,000

Triple Net: Paid by tenant (property operations & taxes to be determined)

Tenant Improvements: By tenant

The proponent has successfully operated these concessions for the past two years.

FINANCIAL/BUDGETARY CONSIDERATIONS:

Financial Plan

INTERNAL CIRCULATION TO:

City Clerks Office Risk Manager

Considerations that were not applicable to this report:

LEGAL/STATUTORY AUTHORITY:
LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:
EXISTING POLICY:
PERSONNEL IMPLICATIONS:
TECHNICAL REQUIREMENTS:
EXTERNAL AGENCY/PUBLIC COMMENTS:
ALTERNATE RECOMMENDATION:

Submitted by:

R. Forbes – Property Manager

Approved for Inclusion:

cc: Director of Financial Services

Parks Manager

Civic Properties Manager