
CITY OF KELOWNA

MEMORANDUM

Date: July 9, 2007
File No.: 2380-20
To: City Manager
From: Property Manager
Subject: Grand Okanagan Resort Wharf

RECOMMENDATION:

THAT City Council approves a three year sub-license based on the attached criteria, in the City standard format with "R335 Enterprises Ltd." for the sub-license of the foreshore and land covered by water fronting Lot 1 of District Lots 139, 4041, 4082 and 5199 Osoyoos Division of Yale District, Plan KAP 46717 otherwise known as the area occupied by the Grand Okanagan Resort Wharf;

AND THAT the Mayor and City Clerk be authorized to execute the sub-license;

AND FURTHER THAT the 2007 Financial Plan be amended accordingly.

BACKGROUND:

R335 Enterprises had a sub-licence with the City for the use of this space for the construction and operation of a wharf as part of the business of the Grand Okanagan Resort. In 2006, the sub-license expired at the same time as the Provincial Water Lot License expired. Staff has re-negotiated the license with the Province and with R335 Enterprises.

Base Terms of sub-license for R335 Enterprises Ltd. is

Term:	3 years - October 10, 2006 to October 31, 2009
Renewal:	No renewal options
Rate:	2006 - \$7,000 2007 - \$7,500 2008 - \$8,000
Tenant Improvements:	By tenant

R335 has successfully operated this wharf for the past number of year. The previous rental rate was \$1,000 per year. The Provincial Water Lot License fee is \$2,000 per year resulting in net revenue to the City is \$5,000, \$5,500 and \$6,000 in respective years.

Due to the uncertainty of the development of the waterfront, the term of the sub-license is for three years only. The City, at its sole option, at the end of the sub-license may; renegotiate the sub-license; take possession of the wharf and any improvements; or instruct the owner to remove all structures and make the land whole.

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:

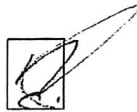
Submitted by:



R. Forbes – Property Manager

Approved for Inclusion:

cc: Director of Financial Services
Parks Manager
Civic Properties Manager



Location of the Grand Waterfront Resort Wharf

