Item	**4**
Manager's Report No.	**34**
Council Meeting	**96/12/16**

TO : CITY MANAGER DATE: 1996 DECEMBER 10

FROM : ACTING DIRECTOR RECREATION & CULTURAL SERVICES

SUBJECT: LEASE AGREEMENT BETWEEN CITY AND B.C. VOLLEYBALL ASSOCIATION FOR HARRY JEROME SPORTS CENTRE (VELODROME)

PURPOSE: To request approval for the City to enter into a lease with the B.C. Volleyball Association for the operation of the Harry Jerome Sports Centre

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RECOMMENDATION:

1. THAT approval be given for the City to enter into a lease with the B.C. Volleyball Association for the operation of the Harry Jerome Sports Centre.

REPORT

At its meeting of 1996 December 04, the Parks and Recreation Commission received the attached staff report on the above subject and adopted the two recommendations contained therein.

Subsequently, the Parks and Recreation Commission by motion approved the lease of the Harry Jerome Sports Centre in a telephone poll held on 1996 December 10, and so recommends to Council.

H. Monroe

HUGH MONROE
ACTING DIRECTOR RECREATION
AND CULTURAL SERVICES

seo
Attachment
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cc: City Solicitor
Director Finance
Deputy City Manager - Corporate Labour Relations

ITEM (IN-CAMERA) 1
DIRECTOR'S REPORT NO. 22
COMMISSION MEETING 96/12/04
(REPLACEMENT)

SUBJECT: LEASE AGREEMENT BETWEEN CITY AND B.C. VOLLEYBALL ASSOCIATION FOR HARRY JEROME SPORTS CENTRE

RECOMMENDATIONS:

1. THAT a telephone poll be conducted to obtain approval for the City to enter into a lease with the B.C. Volleyball Association for the operation of the Harry Jerome Sports Centre, following approval of financing for completion of construction of the facility.

2. THAT Council be requested to concur.

REPORT

Agreement has been reached with the B.C. Volleyball Association regarding terms of a lease for the operation of the Harry Jerome Sports Centre.

The major components of the lease are summarized as follows:

1. There is to be one initial five year term, with three renewal terms of five years each (subject to Parks and Recreation Commission and City Council approval).

2. There is an obligation to complete construction of the facility and commence operation on or prior to 1997 May 31.

3. During the first ten years of the agreement, repayment of B.C. Volleyball's initial capital investment of $160,000 will be prorated should the City exercise its right to not renew the lease.

4. Excluding the first year of the agreement, the City will receive a total of $30,000 per year in lease payments from B.C. Volleyball, for the duration of the initial five year term.

5. The Parks and Recreation Commission retains the exclusive right to access the entire facility up to four times a year for special events, usually on weekends and for a period not to exceed three full days for any one event, at no cost to the City.

6. The Sports Centre is to be operated and maintained exclusively by B.C. Volleyball Association, at no cost to the City.

7. All user fees charged by the Lessee are subject to the approval of the Director Recreation and Cultural Services.

8. The Lessee is responsible for payment of all utilities and services, insurance coverage, business tax, licence fees and property tax, where appropriate.

A copy of the entire draft lease agreement is provided in each Commissioner's package for their information.

Based upon lengthy negotiations and preliminary review of the draft lease, it is the City's understanding that the Board of Directors of the B.C. Volleyball Association are in agreement with the terms of the draft lease.

This is provided to the Commission for information purposes, and as background for a telephone poll to be conducted at a later date. The purpose of the telephone poll will be to obtain approval for the City to enter into a lease with the B.C. Volleyball Association for the operation of the Harry Jerome Sports Centre, following approval of financing for completion of construction of the facility.

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cc: City Solicitor
Director Finance
Deputy City Manager - Corporate Labour Relations