
TO: CITY MANAGER **DATE:** 2005 June 16

FROM: DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

SUBJECT: LOTUS CLUB LICENSE AGREEMENT

PURPOSE: To request Council's approval for a license agreement with the Lotus Club to occupy a portion of the Texaco warehouse building.

RECOMMENDATION:

1. **THAT** approval be given to enter into a license agreement with the Lotus Club to occupy a portion of the Texaco warehouse building for a three year term beginning the 1st day of July, 2005 and ending on the 30th day of June, 2008 under the terms and conditions outlined in the attached report.

REPORT

At its 'Open' meeting of 2005 June 15, the Parks, Recreation and Culture Commission received the above noted report and adopted the two recommendations contained therein.



Kate Friars
DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

KF:tc

Attachment

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cc: City Solicitor

TO: CHAIR AND MEMBERS
PARKS, RECREATION & CULTURE COMMISSION

FROM: DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

SUBJECT: LOTUS CLUB LICENSE AGREEMENT

RECOMMENDATIONS:

1. **THAT** approval be given to enter into a license agreement with the Lotus Club to occupy a portion of the Texaco warehouse building for a three year term beginning the 1st day of July, 2005 and ending on the 30th day of June, 2008 under the terms and conditions outlined in this report.
2. **THAT** Council be requested to concur.

REPORT

The Lotus Club is a recreational and competitive boating club based at Barnet Marine Park in Burnaby. They have been operating from the City owned Texaco building for several years, however, the City has never had a formal agreement with the Club to authorize their occupancy. The Club occupies approximately 5,000 square feet of the approximately 10,000 total building square footage. The remaining portion of the building is used by the City for storage. The main access point to the Texaco building is across the Canadian Pacific Railway (CPR) track by way of an illegal crossing at the foot of Texaco Drive, which has been used over the years by City staff, club members and the public to get to the facility and to the park.

In 2004, Staff approached the Club to seek an agreement in order to legitimize their use of the facility and to ensure the City was protected from liability exposure as a result of their occupancy. In addition, an agreement was reached with the CPR to construct a legal crossing at Texaco Drive, which was completed in late 2004. Discussions have progressed very well and the terms of a proposed license agreement have been reviewed and approved by members of the Club. The following is a summary of agreement:

1. The new term for the license will be for three years commencing on the 1st day of July, 2005 and ending on the 30th day of June, 2008.

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Re: Lotus Club License Agreement

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2. The annual license fee payable by the Club will be \$6,300 annually, which accounts for the Club's share of the annual cost to the City for providing services to the building, and for their share of the annual cost of maintaining the railway crossing. In the second and third years of the agreement, the license fee will increase by a percentage equivalent to the consumer price index for Vancouver.
3. Insurance and indemnity requirements comply with City standards.
4. The Club is responsible for their equipment, all interior maintenance and for the security of the premises; the City is responsible for exterior maintenance as deemed necessary by the City.

It should be noted that staff are currently in the process of developing a master plan for Barnet Marine Park which may affect the long term occupancy of the Texaco building. The length of the license term proposed in this agreement will allow the Club to occupy until such time that the planning process determines future park usage. It is anticipated that by the time the license expires, staff will be in a position to make longer term decisions on the development of this area of the park, including the proposed uses for the Texaco building.

Over the years, the Club has proven to be a conscientious and responsible occupant. This agreement will allow them to continue their use of the facility, which is complimentary to the recreational activities that take place in this area of the park. It also protects the City from risks associated with their use of the building, and recovers costs associated with services provided. Therefore, it is recommended that approval be given to enter into a license agreement as outlined in this report.

Kate Friars
DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

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cc: City Solicitor

