City Council

Notice of Motion

MM14.7	ACTION			Ward:30
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Consent to permit Beasley Amusements Inc. to hold over and operate in the 2012 season - by Councillor Pam McConnell, seconded by Councillor Norman Kelly

* Notice of this Motion has been given.

* This Motion is subject to referral to the Government Management Committee. A two-thirds vote is required to waive referral.

Recommendations

Councillor Pam McConnell, seconded by Councillor Norm Kelly, recommends that:

1. City Council authorize the General Manager of Parks, Forestry and Recreation to provide the City's Consent to allow William Beasley Enterprises Inc. to hold over and become a month-to-month tenant, generally on the same terms and conditions under the Lease Agreement dated May 15, 2002, together with such other terms and conditions as determined by the General Manager, to ensure that the premises are available for a new operator as at January 1, 2013, and in a form acceptable to the City Solicitor.

Summary

The Lease Agreement between the City and William Beasley Enterprises Inc. (the Tenant) for the operation of the Centreville Children's Area on Centre Island expires on May 14, 2012. Parks, Forestry and Recreation staff is currently preparing a Request for Proposal (RFP) to solicit an operator commencing in 2013.

The existing Agreement gives the Tenant 120 days following expiry to vacate the Leased Property and remove, at its own expense, all foods, goods, chattels, inventory, rides, equipment, buildings and structures owned by the Tenant.

This 120-day removal period means that any new operator obtained through the RFP process could not fully access or use the Leased Property until mid September 2012. The installation of new rides and other attractions on the Island is a huge and expensive undertaking requiring the use of barges and a significant amount of set up time.

Accordingly, if a new operator were to be selected through the RFP process, it is anticipated that Centreville would be closed for the 2012 season. The closure of the Children's Amusement Area would have a substantial financial impact on the City, as well as a substantial impact on the number of passengers visiting Centre Island for the 2012 season.

The following is the information we have relating to the use of the ferries to the Islands over the past decade:

- 1.2 Million passengers annually
- 900,000 of these passengers frequent the Island between the May long weekend and Labour Day
- The Operator reports that between 600,000 to 750,000 people attend Centreville each season
- The loss of revenue to the City in 2012 from the ferry rides due to the closure of the Children's Amusement Area would be approximately \$3-4 million.

The Lease contains a provision allowing the Tenant to overhold on a month-to-month basis, upon obtaining the consent of the City. This Motion seeks authority to consent to Beasley overholding in order to allow for the continued operation of Centreville during the 2012 season.

(Submitted to City Council on November 29 and 30, 2011 as MM14.7)