



## STAFF REPORT ACTION REQUIRED

### Rate Approval and Delegation of Authority for the Lease Agreement with Bluffer's Park Marina Limited

<b>Date:</b>	April 5, 2012
<b>To:</b>	Government Management Committee
<b>From:</b>	General Manager, Parks, Forestry and Recreation Division
<b>Wards:</b>	Ward 36 – Scarborough Southwest
<b>Reference Number:</b>	P:\2012\Cluster A\PFR\GM13-042512-AFS#15478

#### SUMMARY

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The purpose of this report is to request Council to delegate its authority to approve Bluffer's Park Marina Limited's rates to the General Manager, Parks, Forestry and Recreation, seek approval for the rates for 2012 summer season, and authorize City staff to administer and manage the Lease, including the provision of any consents, approvals, amendments, notices and notices of termination of the Lease expiring April 30, 2012 and the ten year renewal option.

#### RECOMMENDATIONS

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**The General Manager of Parks, Forestry and Recreation recommends that:**

1. City Council delegate the authority to approve the rates Bluffer's Park Marina Limited charges to the public to the General Manager, Parks, Forestry and Recreation;
2. City Council approve Bluffer's Park Marina Limited's 2012 rates as set out in the attached Appendix "A"; and
3. City Council authorize relevant City staff to administer and manage the Lease including the provision of any consents, approvals, amendments, notices and notices of termination provided that they may, at any time, refer consideration of such matters (including their content) to City Council for its determination and direction.

## **FINANCIAL IMPACT**

There is no financial impact resulting from the adoption of this report.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

The Municipality of Metropolitan Toronto and the Metropolitan Toronto and Region Conservation Authority issued a Proposal Call in January, 1985 for development and the operation of a public marina in Scarborough Bluffer's Park.

In response to the Proposal Call, Hydrus Enterprises Inc. submitted on March 25, 1985 a proposal.

Clause No. 6 of the Parks, Recreation and Property Committee Report No. 9, adopted by the Council of the Metropolitan Corporation on the 24th and 26th days of June 1986, as concurred in by Resolution No. 99 passed by the Metropolitan Toronto and Region Conservation Authority on July 25, 1986 and authorized the leasing of lands to Hydrus Enterprises Inc., for 25 years and 9 months, commencing on August 1, 1986 to expire on April 30, 2012, provided that Hydrus Enterprises Inc. is not then in default in connection with any obligation contained in the Lease, Hydrus Enterprises Inc. shall have the right to renew the Lease for a further term of 10 years.

On May 15, 1987 Hydrus Enterprises Inc. assigned to Bluffer's Park Marina Limited (the "Marina") all of its rights, title and interest in the August 1, 1986 Lease.

Clause No. 1 of the Parks, Recreation and Property Committee Report No. 4, adopted by the Council of the Metropolitan Corporation on March 28<sup>th</sup>, 1990, authorized the Marina to charge a fee for use of the parking lots on Sundays during the peak summer months of June, July and August.

On August 1, 1990, the Marina entered into a tri-party Lease Amending Agreement with the Municipality of Metropolitan Toronto and the Metropolitan Toronto and Region Conservation Authority to allow the Marina to charge a fee for parking and the right to sell subject to the Liquor Licence Act, refreshments, including liquors during the term.

## **ISSUE BACKGROUND**

Bluffer's Park Marina Limited leases the land and water lot through a tri-party Lease with the City of Toronto and Toronto and Region Conservation Authority to operate a public marina and is required to provide a good standard of service to the public using the service of the Marina with the Commissioner to be the sole judge on the adequacy of the service.

The Lease requires the annual rates that the Marina charges to the public to be approved by City Council within 30 days of submission. On March 6, 2012, the Marina forwarded to the City the 2012 rates for approval, as set out in Appendix "A". In order to meet the 30-day approval requirement, staff are seeking approval for 2012 and asking City Council to delegate its authority to approve the rates to the General Manager, Parks, Forestry and Recreation.

The Lease expires April 30, 2012, and provided that the tenant is not then in default in connection with any obligation contained in the Lease, the Marina shall have the right to renew the Lease for a further term of 10 years. City of Toronto has the option to change the amount and method of payment of rent for the renewal term.

In order to manage and administer the Lease expiring April 30, 2012 and the 10-year renewal option, the City of Toronto, Parks, Forestry and Recreation Division and other relevant City staff are seeking authority to administer and manage the lease, including the provision of any consents, approvals, amendments, notices and notices of termination, provided that they may, at any time, refer consideration of such matters, including their content, to City Council for its determination and direction.

## **COMMENTS**

Article 4.12 of the Marina's Lease requires the tenant: "To produce annually a tariff of charges showing rates for daily, weekly, monthly and seasonal rentals for mooring spaces for various sized boats, together with a similar tariff for winter storage and all other Marina services including such conditions or rules as may be imposed by Hydrus with respect to the use of the Marina. This tariff to be annually subject to approval by the Council of the Metropolitan Corporation, such approval not to be unreasonably withheld if consistent with prevailing rates for similar facilities within Metropolitan Toronto."

Article 4.32 states that where the Commissioner has not disapproved any price submitted within 30 days of its submission, the Commissioner shall be deemed to have approved same.

It has come to the Division's attention that, in the past 25 years, the Marina's rates have not been compared to prevailing rates for similar facilities within Metropolitan Toronto or submitted to City Council for approval within the 30-day turnaround requirement. The delegation of approval authority from City Council to staff will allow the Division to review and approve rates on a timely basis.

Staff has performed a review of prevailing rates for similar facilities within City of Toronto, as well as Greater Toronto Area. Although the Marina's rates submitted for approval are considerably higher compared to marinas in the Greater Toronto Area, City staff considers the Marina's 2012 rates to be consistent with prevailing rates for similar facilities within the City of Toronto as outlined below:

Summer 2012 docking rates per feet of vessel with 30 amps service for Toronto are:

Bluffers Park Marina: \$90.00 (fixed docks); \$84.00 (floating docks)  
Outer Harbour Marina: \$90.80 (fixed docks); \$98.90 (floating docks)  
Toronto Island Marina: \$80.00 (Class A); \$77.00 (Class B)  
Ontario Place: \$82.85 (all docks)  
Harbourfront Centre: \$86.00

Winter land storage rates per square foot are:

Bluffers Park Marina: \$4.00  
Outer Harbour Marina: \$3.85  
Toronto Island Marina: \$4.50

The initial term of the Marina Lease Agreement will expire on April 30, 2012. Upon at least 12 months written notice to the City of Toronto and the Toronto and Region Conservation Authority, prior to the expiry of the term and provided that the tenant is not then in default in connection with any obligation contained in the Lease, the Marina shall have the right to renew the Lease for a further term of 10 years on the same terms and conditions save as to the amount and method of payment of rent, the provision for renewal and concerning work to be carried out by the tenant in the initial development of the marina. The Marina has provided written notice that it wishes to renew the Lease Agreement for a further term of 10 years.

In order to ensure the City receives fair market value for the leased property, Parks, Forestry and Recreation is in the process of conducting a market rent assessment for the renewal rent and may amend the amount and method of payment of rent in accordance with the provisions in the Lease.

The Marina has outstanding safety issues which may result in default. Electrical Safety Authority has identified a number of electrical deficiencies in the Marina and the tenant has been asked to make the necessary repairs. If the repairs are not completed by April 30, 2012 to the satisfaction of the Electrical Safety Authority and the City, the Marina will be considered in default of the Lease Agreement and subject to the applicable terms of the Lease, the Lease Agreement will not be renewed.

In this case, the tenant will be considered over holding until Parks, Forestry and Recreation Division secures a new operator for the Marina through a Request for Proposal. The tenant, as well as any new operator, would be required to charge the rates approved by Council for 2012.

In order to manage and administer the Lease expiring April 30, 2012 and the ten year renewal option, City of Toronto, Parks, Forestry and Recreation Division is seeking authority in the provision of any consents, approvals, amendments, notices and notices of termination provided that they may, at any time, refer consideration of such matters, including their content, to City Council for its determination and direction.

## **CONTACT**

Ann Ulusoy, Director, Management Services Branch, Tel: (416) 392-8190, Fax: (416) 397-4899, Email: [aulusoy@toronto.ca](mailto:aulusoy@toronto.ca)

## **SIGNATURE**

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Jim Hart  
General Manager, Parks, Forestry and Recreation

## **ATTACHMENTS**

Appendix "A" – Bluffer's Park Marina Limited's Proposed 2012 Rates

Appendix "A"

7 Brimley Rd. S., Toronto, M1M 3W3  
(416) 266-4556 Fax: (416) 266-7808



**Summer Season 2012**  
May 1 to October 15

**Docking**

Includes up to 30 amps hydro, parking, water, pumpouts  
and a 10% discount on food services

Fixed Docks (Shore) - 24' minimum	\$90.00 / ft. LOA
Floating Docks - 20' minimum	\$84.00 / ft. LOA
<b>Summer Hydro</b>	Extra 20 amps \$380.00, 30 amps \$570.00, into 50 amps- 125 volts \$380.00, into 50 amps- 250 volts \$1330.00

**Boats on a Trailer (ramp access)**

**Visitor Ramp access**

Up to 18 ft.	\$668.00	\$1.05 X LOA per Day
19-20 ft.	\$725.00	\$5.10 x LOA per Week
21-22 ft.	\$784.00	\$16.00 X LOA per Month
23-24 ft.	\$802.00	
25-26 ft.	\$900.00	
27 ft and over	charged by the square foot (Land Storage rates below)	

**Land Storage Only – Sailboat on Cradles/Powerboat on blocks**

Entire Season	\$4.00 sq. ft
1-Month	\$1.10 sq. ft
1-Week	\$0.50 sq. ft
Cradle/Trailer Storage for BPM Annual Boaters (Boat Trailers for the boats 26ft. or less)	\$120.00/season
Cradle/Trailer Storage for BPM Winter Boaters	\$315.00/season

Non-BPM Trailer/Cradle storage and Storage Trailers	
Up to 18 ft.	\$490.00
19-20 ft.	\$552.00
21-22 ft.	\$613.00
23-24 ft.	\$660.00
25-26 ft.	\$750.00

If longer see Square Footage pricing above

Blocking  
Power Boats ONLY \$5.40/ft. LOA  
Sailboats **MUST** have a cradle

**We require on lease, a Visa/MasterCard and a copy of your current insurance policy.  
All prices are subject to tax and are subject to change.  
No refunds after August 1<sup>st</sup>.  
Leases broken prior to August 1<sup>st</sup> are subject to a 10% penalty.**

Website: [www.bluffsparkmarina.com](http://www.bluffsparkmarina.com) E-mail: [admin@bluffsparkmarina.com](mailto:admin@bluffsparkmarina.com)

7 Brimley Rd. S., Toronto, M1M 3W3  
(416) 266-4556 Fax: (416) 266-7808



**Winter Season 2012 - 2013**

October 16 to April 30

***Docking and Live-aboard***

In-Water Storage (Includes one lift-out after each entire year)	\$4.50 /sq. ft.
In-Water Live-aboard Fee (Winter Only)	
First Person	\$350.00
Every Additional Person	\$190.00
Winter Hydro (30 and 50 amp services available)	\$38.00/amp
Deep Winter Hydro Discount (Dec. 15 – March 15)	\$24.00/amp

***Land Storage***

Land Storage Package (Includes haulout, hull rinse, storage, launch) *Does not include winterization, see TMS for service*	\$4.50 /sq. ft.
Land Storage ONLY	\$4.00/ sq. ft
BPM Winter Trailered Boats	
Up to 18 ft.	\$490.00
20 ft.	\$552.00
22 ft.	\$613.00
24 ft.	\$660.00
26 ft.	\$750.00
Cradle & Storage Trailers	
Up to 18 ft.	\$490.00
20 ft.	\$552.00
22 ft.	\$613.00
24 ft.	\$660.00
26 ft.	\$750.00
Over 26 ft - per square footage rates apply	
Trailer/Cradle Storage for BPM Seasonal Boaters (26 ft. or less)	\$120.00/season
Blocking	
Power Boats ONLY	\$5.40 / ft.
Sail Boats MUST have a cradle	

**We require on lease, a Visa/MasterCard as well as a copy of your current insurance policy.**

**All prices are subject to tax and are subject to change.**

Website: [www.bluffsparkmarina.com](http://www.bluffsparkmarina.com) E-mail: [admin@bluffsparkmarina.com](mailto:admin@bluffsparkmarina.com)

# Bluffer's Park Marina



## Other Services

*Taxes extra where applicable and rates subject to change*

### Services

Boat Lift or Launch	
• Up to 40 ft.	\$6.80/ft.
• Over 40 ft.	\$8.95/ft.
• Sling time	\$100.00 per hour
• Sling time – overnight	\$150.00/night
Hull Rinse	\$3.50/ft. LOA
Repair Land Storage (Monthly)	\$1.10/sq. ft.
Weekly	\$0.50/sq. ft.
Repair Blocking	\$60.00
Mast-step/De-step – 1 mast	\$4.00/ft LOA
Mast-step/De-step – 2 masts	\$6.00/ft LOA
• <b>Crane use only, includes operator</b>	
Yard Labour	\$60.00/hr
Welding – Steel only	\$95.00/hr
Tow	\$158.00 – 1 hr Min.
Forklift & Operator	\$75.00/half hour
Drive Boat/Captain	\$60.00
NON – BPM Tow outside of harbour	\$500.00 Deposit

### **Transient includes 30amps and water**

Docking	Floating Dock(20' min.)	Fixed Dock(24' min.)
Daily	\$1.30 X LOA	\$1.45 x LOA
Weekly	\$6.80 X LOA	\$7.40 x LOA
Monthly	\$23.00 X LOA	\$25.00 X LOA

### Boat Trailer Storage (with transient docking)

Daily	\$7.50
Weekly	\$32.00
Monthly	\$80.00

### Camper Trailer/RV

Daily	\$20.00 with Transient docking	\$45.00 RV only
Weekly	\$105.00 with Transient docking	\$240.00 RV only
Monthly	\$370.00 with Transient docking	\$845.00 RV only

Pump out at fuel dock (visitors)	\$15.00
Overnight Vehicle and Trailer Storage	
Vehicle	\$7.50/day
Trailer	\$10.00/day