



Corporate NO: R169

Report COUNCIL DATE: July 17, 2000

REGULAR COUNCIL

TO: Mayor & Council DATE: June 29, 2000

FROM: General Manager of Parks, Recreation

and Culture

Acting General Manager of Finance,

Technology and Human Resources FILE: 8077-010

SUBJECT: Guildford Recreation Centre - Coffee and Food Services Retail Space

RECOMMENDATION

That Council approve, in principle, the issuing of a request for expression of interest (REI) for a coffee and food retail space in the new Guildford Recreation Centre.

BACKGROUND

The Guildford Recreation Centre site is strategically located to attract commercial/retail opportunities. After completing a market analysis and business case, it is evident that this site will attract a major coffee and food services chain if given street exposure. The current facility design does not include an internal food and beverage service, now would one be expected to be economically viable for a facility of this type. A coffee and food service provider located on the exterior of the facility, however, would not only serve patrons, but also attract other customers from the community.

DISCUSSION

The goal for this venture is to provide high quality coffee and food services in the most cost effective way to the participants of the Guildford Recreation Centre and surrounding community. The market analysis shows that at least three major coffee and food services companies are very interested in this prime location. The total capital project cost is estimated at \$243,000 with the retail square footage being approximately 1,200 square feet. This would provide for the shell of the building and the tenant would be responsible for the additional tenant improvements costs. The coffee shop would be located adjacent to the main entrance off 105 Avenue and would have both a separate street entrance as well as internal access from the Recreation Centre and

Library.

Based on a successful response to the REI, the capital cost of \$243,000 will need to be borrowed through the Legacy Fund. It is projected that revenues from this service would repay the loan over a 7.5 year period and then be used to offset the operations of the Guildford Recreation Centre.

CONCLUSION

This retail initiative would contribute positively to the total experience of the patrons of the Guildford Recreation Centre and Library, and would be financially self-supporting. A major coffee and food services company would also create a destination within the community and attract new users to the Centre.

Vivienne Wilke, Acting General

Don Hunter, General

Manager of Finance, Technology

Manager of Parks, Recreation

and Human Resources

and Culture

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