

Staff Report

Report To: Community Services Committee
Report From: Pamela Coulter, Director of Community
Meeting Date: December 17, 2025
Report Code: CS-25-125
Subject: Concession Options at the Julie McArthur Regional
Recreation Centre

Recommendations:

THAT in consideration of Staff Report CS-25-125 respecting concession options at the Julie McArthur Regional Recreation Centre, the Community Services Committee recommends that City Council:

1. Direct staff to issue a Request for Proposals for a concession operator at the Julie McArthur Regional Recreation Centre; and
2. Direct staff to bring forward a by-law to authorize the Mayor and Clerk to enter into an agreement with the successful proponent.

Highlights:

- The Julie McArthur Regional Recreation Centre opened in 2012 under a joint operating agreement with the Family Y.
- The responsibility under the Joint Operating Agreement with the Y for the concession is entirely with the City.
- This report presents several options for the future of this space.

Strategic Plan Alignment:

[Strategic Plan](#) Priority: Collaborative City.

Climate and Environmental Implications:

There are no anticipated climate or environmental impacts.

Previous Report/Authority:

[CS-23-123](#) – Request to assign lease – JMRRC Concession (agreement reassign to Saleem Khan)

[CS-22-096](#) – JMRRC Concession (agreement reassign to Sharif Rahman)

[CS-18-142](#) – Concession JMRRC – Two Sisters Café

[CS-18-105](#) – Concession at the JMRRC

Background:

The City has an Operating Agreement with the Family Y for the Julie McArthur Regional Recreation Centre. Among other matters, the agreement addresses food service and assigns responsibility for all aspects of food service and vending machines in the common area to the City. Any revenue received is to be allocated equally between the City and Y and held by the City in a reserve for Capital Improvement Expenditures.

The concession is located in the shared North-South corridor with a small food preparation area and seating area, as seen in attachment 1. The City had installed some basic infrastructure such as cupboards, counters and sinks. Other trade fixtures have been provided by leases of the space.

There are certain restrictions that apply to the operation of the space, including a requirement for healthy food options, no cooking that would require a range hood vent, as well as compliance with the City's Nut Aware Policy.

Initially, after the building opened, finding an operator was challenging.

Since 2016 there have been several operators:

- 2016-2018 Buff Bistro
- 2018-2022 Sister's Café
- 2022 – 2023 Sharif Rahman
- 2023 lease assigned to new operator

There is no operator currently.

The City spoke with the Family Y regarding their interest in potentially operating the concession. The Y is not interested at this time.

The last lease had an annual revenue of approximately \$1300, subject to annual CPI increases. The tenant is responsible for any taxes. Utilities are included in the lease.

In addition to the concession space, the tenant has also had the rights to operate the vending machines in the facility.

Since the space has been vacated, the City has received 5-7 inquiries about operating the concession.

Analysis:

The purpose of this report is to present options for review and consideration by the Committee.

Option	Pros	Cons	Other Considerations
Close and repurpose space	Eliminates compliance, procurement, and operational workload. Allows reallocation of space to other public uses.	Removes convenience and on-site amenity. Forfeits a small amount of revenue from space.	The conversion of the space would require a capital investment of \$5000-\$10,000 (estimate).
Vending Machine Only Modern refrigerated snack/meal vending machines	Low management burden for city.	Limited menu. Perceived freshness. Reduced level of service.	N/A

*RFP for a concession operator and execution of a 3 to 5 year lease	Competitive process. Best option for a wider variety of choices.	Investment required to open. Limited interest in RFP. Time to administer RFP and negotiate and execute lease.	This option would include the concession and provide the rights to the vending if desired.
Partner with a Non-Profit to operate a concession	Positive community impact.	Potential operation with volunteers may be challenging.	N/A

*Staff recommend issuing an RFP for an operator and entering a new 3 to 5-year lease. It is anticipated that the lease terms will be consistent with those of the previous agreement.

Financial Implications:

Staff time to prepare, administer and score RFP.

Staff will draft an updated lease based on the historic lease. Legal review of the draft will be required.

Communication Strategy:

The RFP will be made public and posted on the City website. This will allow smaller businesses to download the RFP without having to pay to register for the bids and tender site.

As inquiries were made, staff advised individuals that this report would be published on the Committee page as part of the agenda package.

Consultation:

Purchasing and Claims Coordinator, Manager of Arena Operations, The Family Y

Attachments:

Attachment 1 – Concession Area

Recommended by:

Pamela Coulter, Director of Community Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Pamela Coulter, Director of Community Services at pcoulter@owensound.ca or 519-376-4440 x. 1252.