



Ministerial Statement

by

Lt. Col. the Hon. David A. Burch, OBE (Mil), ED, JP, MP

The Minister of Public Works

Horseshoe Beach House Café - Lease Tender

27 November, 2020

Good morning, **Mr. Speaker**.

This morning I wish to inform this House of the new operators of the Horseshoe Bay Beach Concession.

I'd like to give some background on the process employed to get to this point.

Having reviewed the last tendering process, the existing lease, and the lessons learned, plans were put in place to ensure a far better outcome for the next lease period.

Mr. Speaker, the existing lease for the Beach House Café was granted for a fixed term of 5-years on a full repairing basis and is due to expire March 31st, 2021. The facility is old and considered substandard for Bermuda's prime tourism destination. Therefore, the expiry of the existing lease has presented an opportunity to have the facility redeveloped and improved.

The property was advertised inviting proposals for the improvement and operation of the Café commencing at the termination of the current lease. However, in the absence of Government capital funding for the development of the site, consideration was given to exploring the option of development by the proposed tenant. The initiative was packaged in an open public tender for Request for Proposals (RFP) from interested parties in the hospitality industry.

Mr. Speaker, the aspirations of the Government, among others, include: encouraging and providing opportunity for talented or experienced young Bermudian entrepreneurs and supporting the set-up and investments that will stimulate economic growth in the current economic climate.

Mr. Speaker, the tasks involved in the arrangements and respective timeframes per the following phases:

Phase 1: Evaluation of proposals; shortlisting; presentation and selection of prospective tenant (Timeframe: August - Early September 2020).

Phase 2: Approval for selected prospective tenant; offer of development lease; agreement on redevelopment design; drafting and negotiations (Timeframe: November 2020, possibly extending to December 2020)

Phase 3: Existing lease expiry, site investigations in preparation for redevelopment arrangements (Timeframe: November 2020 – March 2021)

Phase 4: Redevelopment lease commencement; preparations for opening of Café from start of holiday season; acquisition of Development/Planning consent (Timeframe: November 2020 (if early termination can be agreed) -. Termination dates are being negotiated with the current lease holder.

Phase 5: Redevelopment project by selected Café tenant/operator; completion and commissioning of new development (Timeframe: November 2020/Mar 2021 - March/April 2022)

The invitation for RFP was issued on March 2nd, 2020 and closed on July 1st, 2020. A total of 16 proposals were received of which eight (8) were shortlisted and invited to make presentations to a joint committee.

Mr. Speaker, the 8 (eight) short listed proposals were scored independently by a panel of 6 persons from the Ministry of Public Works, Parks Department and the Bermuda Tourism Authority against a thirteen (13) point scoring matrix criteria which included; services to be provided, awareness of beach tourism trends, proposed redevelopment design, financial capability, ability to complete within time frame, management ability for beach rentals, environmentally friendly and sustainable services, local employment and visitor benefits. This together with overall consideration showing a well thought out plan to support making the Horseshoe Bay Beach facility experience a top tourism destination.

Following the presentations - the 8 shortlisted applicants were then narrowed down to the two with the highest scores.

Mr. Speaker, both proposals estimate a capital investment of approximately **\$3,800,000.00** to redevelop the site. The proposed terms of the lease are a 5 year full repairing lease with a tenant's option to renew for a further five or ten years, subject to agreement of lease provisions. The proposed lease terms assume the current facility will continue in its current format under the new tenant through to the end of the 2021 summer season. In the interim, the successful applicant will finalise designs, gain statutory consents and go through a phased development and approval process with the Ministry of Public Works.

With the excellent submissions in hand, we now have the opportunity for significant improvements to the Cafe facility and positioned to have a new development to replace the old.

Following intense scrutiny and the challenge of selecting only one of the many excellent submissions, I am pleased to announce Horseshoe Bay Live, and the team consisting of Mr. Delton Ebbin, Mr. Devon Simons, and Mr. Carl Vincent, as the new entity to be awarded the lease to the Horseshoe Bay Beach House Café.

Mr. Speaker, Mr. Delton Ebbin, is a Bermudian born leading international tourism expert, who has enjoyed an impressive and formidable all-encompassing hospitality career. Formerly, Mr. Ebbin was the food and beverage director for the 5 Star luxury hotel chain Sandals Resorts International in the Eastern Caribbean. Mr. Ebbin oversaw the training and management of over one thousand food and beverage staff members for Sandals Resorts International.

Mr. Devon Simons is a Bermudian born entrepreneur and co-proprietor of the renowned Country Kitchen Bermuda Ltd. In addition to his business pursuits, Mr. Simons Co-Founded the Open your Heart Foundation, giving his time and energy to the youth and underprivileged of Bermuda. His role in the food service industry and capacity to deliver is unparalleled, as such he will head up all recruitment of service staff, food delivery and logistics to ensure that operations are 100% Bermudian managed.

Carl Vincent is a Bermudian born entrepreneur whose many endeavours involve co-founding the e-delivery grocery business Drop It Delivery. Before founding Drop It

Delivery, Mr. Vincent was the on-board and offshore experiences and entertainment manager of the 95-metre Ultra Luxury Yacht M/Y Kismet

Mr. Speaker, working in partnership with the Government as the landlord, the leaseholder will be granted an initial 5-year development lease with an option for renewal to be negotiated as part of the lease.

The Horseshoe Bay Live Team here today, are experienced young Bermudians of the highest caliber in the hospitality industry. I am confident they are all up to the task of shouldering the enormous responsibility of offering world-class facilities and services at the most popular and iconic beach in Bermuda.

Mr. Speaker, as part of the plan, consultations, designs and the Planning & Building Permit process will begin. To that end, a construction team, consisting of representatives from the Department of Public Lands and Buildings and the new leaseholders will be created. This team will be responsible for facilitating the construction of the new development which is scheduled to start in Nov 2021 and be completed by April 2022.

The Department of Public Lands & Buildings will continue to provide support and work with the team throughout this endeavor to help ensure its success.

Thank you, **Mr. Speaker**.