



IN REPLY REFER TO:

# United States Department of the Interior

NATIONAL PARK SERVICE  
Glen Canyon National Recreation Area  
Box 1507  
Page, Arizona 86040

## Glen Canyon National Recreation Area Policy for Boat Brokering

In the past boat brokering services have been operating unauthorized and uncontrolled for vessels located in permanent storage (slips/buoys/dry storage) within Glen Canyon National Recreation Area (NRA). In many cases the practice of selling moored vessels included the unauthorized sale of the slip or buoy, which is National Park Service (NPS) property assigned to the concessioner to rent to the public.

There have been many questions about NPS requirements that apply to multiple-owner boats used within Glen Canyon NRA. The following requirements apply to all boats used within Glen Canyon NRA.

Boats must be wholly owned by the people using them for recreation. The boat dealer or individual/owner(s) acting as a dealer from whom a boat was purchased may not retain any interest in it once it is brought into the recreation area. Boats in which dealers or individual/owner(s) acting as dealer retain an interest are considered business enterprises and are prohibited from operating within the recreation area by Title 36, Code of Federal Regulations, Section 5.3 (36 CFR 5.3), which states:

Engaging in or soliciting any business in park areas, except in accordance with the provisions of a contract, permit, or other written agreement with the United States, except as such may be specifically authorized under special regulation applicable to a park area, is prohibited.

Management of boat ownership transactions will result in:

- Eliminating the sale of vessels solely for the purpose of acquiring a slip and/or buoy
- Reducing the illegal profit-taking by the unauthorized sale of slips and buoys
- Curtailing the promulgation of timeshare arrangements and illegal rental operations
- Ensuring the fair treatment of visitors utilizing these services and consistently applying standards for the management of boats
- Implementing all NPS laws, regulations, policies and guidelines
- Meeting contractual obligations

The NPS may require such "dealer boats" or boats placed within the recreation area for the purpose of selling shares/ownership in boats, other than entities authorized to provide that service, to be removed from the recreation area and the concessioner(s) must cancel the slip or buoy rental contracts of those boats. The unauthorized business operations, of selling, renting, leasing, or chartering of a boat, or exchanging its use for any compensation, are prohibited by 36 CFR 5.3. Furthermore, to assist with any attempts in the illegal renting of boats and to help ensure stable ownership in vessels, the concessioner(s) as broker will not permit the sale or transfer of more than 50 percent of the ownership interest in a vessel in any one transaction or series of transactions. Such action shall constitute a prohibited activity (sale of timeshares) and will result in the removal of the vessel from the recreation area.

Vessels are prohibited from remaining within the lands and/or waters of Glen Canyon NRA for more than 30 consecutive days without a valid boat storage agreement for a slip, buoy or dry storage with an authorized concessioner. There must be a minimum break of 24 hours from the time the vessel leaves the recreation area until it re-enters. An owner of the boat must be onboard the boat during the time he/she has use of the boat.

Park visitors, particularly those with large houseboats, are increasingly attempting to use their concessioner-provided rental slips/buoys for unauthorized commercial activity, that is, selling weeks of "ownership" of vessel(s) moored within rental slip(s). Such use of a concessioner's marina facility by boat owners is prohibited. Individuals and/or companies selling weeks of ownership of a vessel often use the following terms interchangeably: timeshare, shared ownership, yachtshare, friend ownership, fractional ownership, quarter ownership, vacation ownership and teamshare projects. These same individuals/companies often manage the use, operation and maintenance of these vessels. Such sales are often promoted as an alternative to houseboat rental, which are duplicative services authorized and provided by concessioners renting houseboats. Only authorized concessioners may provide rental watercraft to visitors within the recreation area.

Based upon information from a variety of sources including American Resort Development Association and NPS-48, the definition of timeshare within Glen Canyon NRA shall comply with NPS-48 and is personal property ownership interest in facilities, vessels and other personal property where the purpose of the ownership is to own shares/weeks/time in those facilities and for the purpose of vessels shall be considered vessel ownership in excess of 18 owners. Furthermore, it includes any arrangement, plan, scheme, or similar device, by membership, agreement, tenancy in common, sale, lease, rental agreement, license, or right-to-use agreement or by any other means, whereby a purchaser, for consideration, receives ownership rights in or a right to use accommodations and amenities.

In areas administered by the NPS concessioners are awarded contracts for the privilege of doing business within parks. Park concessioners pay a substantial fee to the NPS for this privilege. Since Glen Canyon NRA's concessioners, ARAMARK and Antelope Point Holdings, LLC provide rental boats at Lake Powell, other boat rentals within the park constitute illegal business operations.

It is the intent of the NPS at Glen Canyon NRA to have a maximum of 18 owners with ownership and responsibility in a boat. The key is ownership and not shares/weeks or any other terminology. How owners are organized, i.e., as an LLC, nonprofit, trust or a corporation is not the primary factor in determining if a vessel is a timeshare. However, individual ownership, the proof of the ownership, and the number of owners (1 to 18) are essential factors. Our objective is to have our concessioners provide boat-brokering services to manage all transfers of boats and/or slips and buoys within Glen Canyon NRA to ensure compliance with laws, regulations, policies and guidelines. If the vessel is removed from the recreation area prior to advertising or selling, no brokering services are required by the NPS concessioner(s).

### Categories of ownership of boats within Glen Canyon NRA:

**Single Owner** – One person or more than one person where primarily assets are jointly held (i.e., husband and wife).

Owner must provide the following to the concessioner(s):

- Copy of registration in the boat owners name(s)
- Copy of Certificate of Insurance showing owners name(s)

**Multiple-Owner – two (2) to eighteen (18) owners.** Individuals must hold a recognized ownership in the vessel. Terms and conditions based on standard brokerage will apply. Annually, moorage customers are required (as part of their boat storage agreement) to supply the concessioner(s) with a detailed listing of all owners.

Each owner's name appears on legal documents like title, registration, articles of organization for a limited liability company (LLC), etc. Each owner is able to show proof of ownership and must be able to do so while boating on Lake Powell. Each owner has a vested, long-term interest in the vessel, and makes decisions regarding the management and maintenance of the vessel. The name of the LLC also appears on registration documents such as Arizona Fish and Game Vessel Registration and registration/title documents or U.S. Coast Guard Certificate of Documentation.

Owner must provide the following to the concessioner(s):

- List of all owners and percent ownership with the times they are to use the boat must be provided to the concessioner and kept up-to-date
- Copy of registration with vessel registered to owner entity
- Copy of certificate of insurance showing owners names
- Copy of ownership list and contact information for each owner

Partnerships, Corporations or Limited Liability Corporations must provide to the concessioner(s):

- Partnership, Corporation or LLC Agreement
- Articles of Incorporation
- By-Laws
- Operating Agreement
- Documents of Formation
- Certificate of Formation
- Certificate of Officers, Directors, Managers, Authorized representatives of Owner
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**Multiple Ownership – Over eighteen (18) owners.** Based upon NPS-48 and Glen Canyon NRA policies, vessels with ownership in excess of eighteen (18) will not be permitted within the recreation area. Boats existing on the lake at the date of this policy will be grandfathered in and expected to reduce numbers over time to eighteen (18) or less.

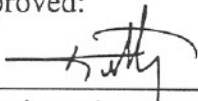
- Existing ownership in vessels in permanent storage/moorage are grandfathered in until a change in ownership occurs
- Every change of ownership over eighteen (18) is a reduction. If vessel ownership changes, including partial ownership the other owners must absorb the ownership over eighteen (18). Any exceptions to this must receive the approval of the concessioner and NPS
- All other provisions listed above in multiple-owner – two (2) to eighteen (18) owners will apply

**Timeshares - are prohibited in all units of the National Park Service including Glen Canyon NRA.**

For purposes of this document timeshares have the following characteristics:

- User purchases "time" only, no ownership
- User's name does not appear on legal documents
- User has no proof of ownership
- With no ownership documents, slips or buoys cannot be rented
- User may or may not pay an annual maintenance fee

Approved:

  
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Superintendent

JUN -5 2003

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Date