

1. Re: Water Lot Lease 6317, and Upland Lease of  
Lots 186 and 187, D.L. 165, Plan 1050  
(Weldwood of Canada Limited)

The Municipality obtained a 21 year lease over the subject water lot from the North Fraser Harbour Commissioners on October 17, 1951. Under the terms of the lease, the water lot is to be used as a "log sorting and booming grounds", and has been used as such since its inception. Macmillan Bloedel Limited and Weldwood of Canada Limited, under sub-lease arrangements with the Municipality, currently occupy the water lot area.

The Municipal Clerk has received a letter from the Secretary of the North Fraser Harbour Commissioners advising that:

1. The Municipality's lease over the subject water lot, issued for a term of 21 years commencing October 17, 1951, is due to expire on October 16, 1972.
2. Several years ago the Commissioners adopted a policy whereby the issuance of all new leases as well as the renewal of all existing leases are to be extended only to the actual user or occupier of water lot lease areas. The adoption of this new policy concluded the former practice of issuing leases in the name of the riparian upland property owner and subsequently consenting to sub-leases in favour of the actual user or occupier.

In compliance with the new policy, the Commissioners are unable to invite an application from the Municipality for a renewal of this lease. They will, however, give first consideration to lease applications from the present occupants for their continued occupation of their respective areas. Such leases would be on a year to year basis and would be subject to the written consent of the riparian upland property owner (the Municipality).

The Municipality on April 4, 1972; received a letter from Mr. R.B. Wilmott of Weldwood of Canada Limited, requesting an extension of the sub-lease of a 12.484 acre portion of the water lot (Lots 186 and 187) from May 16, 1972, until the expiration of the head lease on October 16, 1972. The company thereafter intends to apply directly to the Harbour Commissioners for a new lease on a two year basis. (It should be noted that the Clerk informed Mr. Wilmott that his request would be answered following resumption of work by striking employees.)

The Land Agent has reviewed Mr. Wilmott's request, and advises that he has no objection to the extension, providing that it is made at the same rate and conditions as existed for the previous leases. This extension would allow the Municipality to obtain revenue from the Water Lot for the period of the head lease which has already been prepaid and both leases to this Company will expire at the same time as the Municipality's head lease on Water Lot 6317.

RECOMMENDATION:

THAT the sub-lease of Lots 186 and 187, Water Lot 6317, to Weldwood of Canada Limited, be extended from May 16, 1972, through October 16, 1972, providing that the rate and conditions be the same as applied to previous leases; and

THAT the North Fraser Harbour Commissioners be advised of the terms of the extension.