

Re: Renewal of Lease
Blocks 4, 5, 6 and 7, D.L. 212, Group 1, N.W.D., Plan 3080
Bestwood Industries Limited
(Item 34, Report No. 61, September 23, 1974)
(Item 13, Report No. 65, October 7, 1974)

On October 7, 1974, Council received a report on a proposed renewal of lease between the Municipality and Bestwood Industries Limited for Municipal land that is contained within the Eastern Burrard Inlet Development Plan. Council during consideration of the proposal adopted the following recommendations:

"THAT the Land Agent be authorized to negotiate a further 3-year lease with Bestwood Industries Limited for the properties described as Blocks 4, 5, 6 and 7, D.L. 212, Group 1, Plan 3080, to terminate on December 31, 1977, with provision in the lease that should the Municipality decide at the end of the second year of the agreement that the site will not be required by December 31, 1977, that year-to-year extensions could be considered; and THAT the lease also include provision that should the Municipality decide at any time before the end of the second year of the agreement that the property will be required, then notice to this effect can be served which would finally terminate the lease on December 31, 1977; and THAT it be stressed to Bestwood Industries Limited that on the basis of the existing implementation program, the Company and its employees should assume at this point that notice to terminate the lease at the end of the second year; and THAT a copy of this report be sent to the Parks and Recreation Commission for information."

Attached is a further report on this matter from the Parks and Recreation Commission.

The annual lease rate in 1974 was \$11,331. The annual rate for the proposed term of the contract would be \$15,600. The proposed lease's short term will preclude the firm from committing any kind of major capital investment to modernize the mill to achieve a higher level of efficiency, and this to some extent is reflected in the lease rate that has been negotiated.

RECOMMENDATIONS:

1. THAT the subject Lease be renewed subject to the following conditions:
 - a. THAT the proposed lease be for a period of three years to expire on December 31, 1977, with the provision that should the Municipality decide at the end of the second year of the agreement that the site will not be required by December 31, 1977, that year-to-year extensions will be considered; but
 - b. THAT if the Municipality decides that the site is required on December 31, 1977, notice to this effect will be tendered before the end of the second year; and
 - c. THAT the Lessee may terminate the lease by tendering a 90 day notice; and
 - d. THAT a period of 60 days be granted following the termination of the lease to permit salvage and removal of equipment and making safe of structures, with such period to be rent free; and
 - e. THAT the monthly rental be \$1,300.00 for the full three year term.

ITEM	11
MANAGER'S REPORT NO.	82
COUNCIL MEETING	Dec. 9/74

TO: MANAGER
December 5, 1974

FROM: PARKS AND RECREATION ADMINISTRATOR

RE: RENEWAL OF LEASE - BESTWOOD INDUSTRIES LTD.
BLKS. 4, 5, 6 & 7, D.L. 212, GROUP 1, PLAN 3080

The following memo. from the Land Agent dated December 3, 1974 was submitted to the Parks and Recreation Commission at its meeting of December 4, 1974.

"We have negotiated the lease on the above described property, with the following amendments:-

1. Term of Lease - 3 Years - Expiry date December 31st, 1977.
2. Should the Corporation of the District of Burnaby decide at the end of the second year that the site will not be required on December 31st, 1977, a year-to-year extension would be considered. Alternately, if the said lands are required on December 31st, 1977, notice to this effect will be tendered before the end of the second year.
3. Lessee may terminate the lease by tendering a 90 day notice.
4. That a period of 60 days (after termination of lease) be granted to permit salvage and removal of equipment and making safe of structures - this period to be rent free.
5. Monthly rental of \$1,300.00 for the full three year lease term.

This represents an immediate rental increase of 27%. We feel the amendments are reasonable and would recommend acceptance."

The Parks and Recreation Commission concurred with the Land Agent's recommendation and the amendments to the lease.

RECOMMENDATION:

The Parks and Recreation Commission recommends to Council that the lease with Bestwood Industries Ltd. be renewed in accordance with the terms set out in the Land Agent's memo. of December 3, 1974.

Dennis Gaunt
Dennis Gaunt,
ADMINISTRATOR.