

ITEM	15
MANAGER'S REPORT NO.	83
COUNCIL MEETING	1978 11 27

RE: PROPOSED LEASE - BESTWOOD INDUSTRIES LTD.  
LOT 15, D.L. 155C, GROUP 1, PLAN 1138, LYING NORTH  
AND WEST OF PART SHOWN ON PLAN 16830, N.W.D.  
5855 - 10TH AVENUE.  
(PREVIOUS LESSEE - CONSUMER PALLET LIMITED)  
(ITEM 3, REPORT NO. 40, 1971 JUNE 07)

The following is a report from the Acting Land Agent re the above.

A copy of a sketch is attached.

RECOMMENDATION:

1. THAT the recommendations of the Acting Land Agent be adopted.

\* \* \* \* \*

TO: MUNICIPAL MANAGER

1978 November 21

FROM: ACTING LAND AGENT

SUBJECT: Proposed Lease - Bestwood Industries Ltd.  
Lot 15, D.L. 155C, Group 1, Plan 1138 lying north  
and west of part shown on Plan 16830, N.W.D.  
5855 - 10th Avenue, Burnaby, B.C.  
(Previous Lessee - Consumer Pallet Limited)

RECOMMENDATIONS:

1. THAT a new lease be drawn for a term of five (5) years commencing 1978 October 01 and ending 1983 September 30.
2. THAT the rent be \$5,400.00 per annum (\$450.00 per month) payable in advance on the first day of each calendar month during the term, the first payment to be made on the first day of October 1978.
3. THAT the lease not contain a renewal clause.

151

Cont'd.....

TO: MUNICIPAL MANAGER  
(re: Proposed Lease -  
Bestwood Industries Ltd.)

1978 November 21

152

RECOMMENDATIONS: (Cont'd)

4. THAT the Lessee will not, during the said term, alter, expand or renovate any building, erection, fixtures or improvements on the said demised premises; PROVIDED HOWEVER that the Lessee will, during the said term, well and sufficiently repair, maintain, empty, cleanse, amend and keep the said demised premises with the appurtenances, in good and substantial repair and all buildings, erections, fixtures, improvements and things thereto belonging.
5. THAT the Lessee will pay all taxes, rates, duties and assessments whatsoever, whether parochial, municipal, parliamentary or otherwise, now charged or hereafter to be charged upon the said demised premises and any improvements thereon.
6. THAT the Lessee shall within thirty (30) days after the termination of this Indenture, at the sole risk and expense of the Lessee, remove from the installations, improvements, facilities and other property designated to be so removed by the Lessor (hereinafter called "the works") and return the said demised premises, so far as it is practicable so to do, to the state and condition in which it was prior to the bringing on or construction of the works. If the Lessee shall fail so to do within the said thirty (30) days, then the Lessor may remove the works at the risk of the Lessee and all costs and expenses of such removal and the restoration of the said demised premises as aforesaid, shall be paid to the Lessor by the Lessee upon demand.
7. THAT all charges shown on the title to the subject lands shall be removed and all taxes owing to the Corporation shall be paid before execution of the lease by the Corporation.

REPORT

The subject property was originally leased to F. & J.R. Sheremeta who carried on a woodworking business under the name of Pacific Coast Woodworking Industries Ltd. The term of the lease was for a period of ten (10) years commencing 1970 April 01 and included a five (5) year renewal clause.

The rental rate amounted to \$127.40 per month and was to be renegotiated every five (5) years. In addition to the rent, taxes were to be paid. A rental adjustment to \$150.00 per month was made commencing 1975 April 01.

On 1971 June 07, Council gave its consent to an assignment to a new Company formed under the name of Consumer Pallet Limited. Later, Consumer Pallet Limited obtained a mortgage from the Industrial Development Bank for their lease and the Corporation gave their consent on 1972 May 01 to this assignment.

On 1977 December 05, the Corporation was advised by L.W. Murphy, Assistant to R.E. Jamieson, Receiver-Manager for Consumer Pallet Limited, that the Company was in receivership.

Cont'd....

TO: MUNICIPAL MANAGER  
(re: Proposed Lease -  
Bestwood Industries Ltd.)

1978 November 23

ITEM	15
MANAGER'S REPORT NO.	83
COUNCIL MEETING	1978 11 27

Mr. Peter King, General Manager of Bestwood Industries Ltd., made a request by letter dated 1977 December 21, for a meeting with the Land Agent to discuss an assignment of the lease to his Company. Mr. King eventually met with our Planning Department and they reported to the Solicitor on 1978 September 26 (see attached copy).

Our Legal Department has pointed out that by continuing to accept rent, the Corporation has probably waived its right to forfeiture of the term of the lease and recommends that if the Receiver-Manager wishes to assign the lease, the Corporation should consent to same.

The operation of this facility has been of some concern to the Planning Department when viewed in the context of the industrial objectives of the "Big Bend Development Plan". This particular use is considered an interim industrial use which is not compatible with the long range objectives of developing intensive industrial estate complexes. None the less, the Planning Department agrees to leasing the property for a term of five (5) years.

A rental fee of \$450.00 per month plus taxes for the use of the property, based on a lease for a term of five (5) years only, has been negotiated.

It is confirmed that if some firm does not take over Consumer Pallet Limited, several other firms will also be forced out of business as they depend on the production of the wooden pallets constructed.

1978 Assessment for actual value:

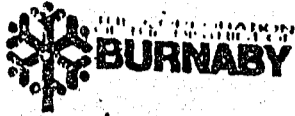
Land	\$114,000
Buildings	52,650
Machinery	58,600

*H. Hargreaves*  
H. Hargreaves  
ACTING LAND AGENT

HH/mh  
Attachs:

cc: Municipal Treasurer  
Municipal Solicitor  
Director of Planning  
Municipal Engineer





## INTER-OFFICE COMMUNICATION

TO: Municipal Solicitor

DEPARTMENT: Legal

DATE: 78 09 26

FROM: Director of Planning

DEPARTMENT:

SUBJECT: REQUEST TO LEASE MUNICIPAL PROPERTY  
Lot 15, D.L. 155C, Group 1, Plan 1138, N.W.D.  
(5855 - 10th Avenue)

ITEM	15
MANAGER'S REPORT NO.	83
COUNCIL MEETING	1978 11 27

The attached letter from Manning, Jamison Ltd., dated 1978 September 11, in which it is requested that a lease agreement be entered into with Bestwood Industries Ltd. for the use of the subject Municipal lands for a minimum period of five years, has been forwarded to this department.

Manning, Jamison Ltd. has recently obtained court approval of the sale of the assets of Consumer Pallet Ltd., who previously occupied the property in question, to Bestwood Industries Ltd. In order for the sale to be consummated, it is necessary for Bestwood to be provided approval to lease the subject Municipal lands.


Following discussion of this matter with Bestwood Industries, this department would be prepared to recommend to Council that a new lease agreement be entered into with Bestwood subject to the following terms and conditions:

1. The duration of the lease to be five years commencing 1978 October 01 and terminating on 1983 September 30.
2. The lease agreement to be explicit that there is no provision for renewal of the lease beyond the 1983 September 30 termination date.
3. That present and past taxes due are paid in full prior to the execution of the lease agreement.
4. That a revised rental fee schedule be incorporated within the lease document that is to the satisfaction of the Land Agent and Lessee.
5. That no expansion or renovating to the existing facility, excepting those required for safety or maintenance purposes, will be permitted given the short term duration of the lease.

In order that this matter can be forwarded to Council for its consideration, would you please prepare a new lease agreement for the subject property incorporating the above conditions as well as any others that you consider advisable. Following receipt of the document, this department will forward same to Bestwood Industries

to obtain its approval to the agreement prior to its submittal to the Municipal Council.

By copy of this memo, we would also request that the Land Agent prepare the appropriate rental fee schedule that would be associated with this lease.

  
A. L. Parr  
DIRECTOR OF PLANNING

JSB/hf

Attach.

c.c. - Municipal Manager  
Municipal Treasurer  
Municipal Engineer  
✓ Land Agent