

ITEM 11  
MANAGER'S REPORT NO. 85  
COUNCIL MEETING 1978 12 04

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, BURNABY, B.C.  
PREVIOUS LESSEE - CONSUMER PALLET LIMITED  
(ITEM 15, REPORT NO. 83, 1978 NOVEMBER 27)

The recommendations contained in the Acting Land Agent's report of 1978 November 29 were tabled pending clarification of the reasoning behind the rental fee to be charged. The following is the Acting Land Agent's further report on this matter.

It should be noted that the Acting Land Agent's report states that the lessee would require a ten (10) year lease with a five (5) year renewal clause in order to justify his investment. The Planning Department has recommended that the lease agreement be explicit in that there is no provision for renewal of the lease beyond the 1983 September 30 termination date.

This property is within the Agricultural Land Reserve. It is on the periphery of the area currently being considered for development with active agricultural uses. While these development plans are still in the formulative stage, the Planning Department is concerned that an extended lease could entrench an industry which does not meet the criteria for future development. In an industrial sense, the existing industrial operation is not compatible with the standards envisaged for the area and this fact compounds the Planning Department's objection to the renewal of the lease for a period longer than five (5) years.

Your Manager agrees with the Planning Department's views and recommends that the lease agreement not be renewed beyond the proposed 1983 September 30 termination date.

RECOMMENDATION:

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

\* \* \* \* \*

TO: MUNICIPAL MANAGER

1978 November 29

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

RECOMMENDATION:

1. THAT Bestwood Industries Ltd. be granted a five (5) year lease at a rental of \$400.00 per month commencing 1978 October 01 plus taxes and other terms as previously reported.

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cont'd....

MUNICIPAL MANAGER  
re: Bestwood Industries Ltd.

1978 November 29

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REPORT

The request by Bestwood Industries Ltd. for a five (5) year lease was tabled at a meeting of Council held 1978 November 27, Manager's Report No. 83, Item 15.

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The following information is presented in order to clarify the reasoning behind the rental fee to be charged.

1. The land only is being leased and has an area of 1.980 ac.
2. The previous Lessee was Consumer Pallet Limited and has declared bankruptcy.
3. The firm of Manning, Jamison Ltd. is presently trying to dispose of the assets to Bestwood Industries Ltd.
4. The market value of the land, which contains 86,248 sq. ft., is estimated to be \$1.65 per sq. ft. for a total of \$142,310.
5. A 10% return on this figure would be \$14,231.00 per annum or \$1,185.91 per month.

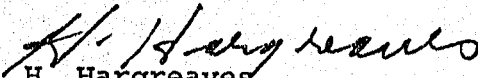
This operation has been marginal in the past with the Lessee (Consumer Pallet Limited) unable to pay taxes and falling behind in the rent which had been set at \$150.00 per month on 1975 April 01.

The new Lessee would require a ten (10) year lease with a five (5) year renewal clause in order to justify his investment in the business which would require him to buy the assets and pay a rental of \$1,185.91 per month.

The amount of taxes owing for the years 1976, 1977 and 1978 amounted to \$11,348.87 plus penalties. Bestwood Industries Ltd. have made a payment and the present balance owing is \$6,312.39 which covers the 1978 taxes.

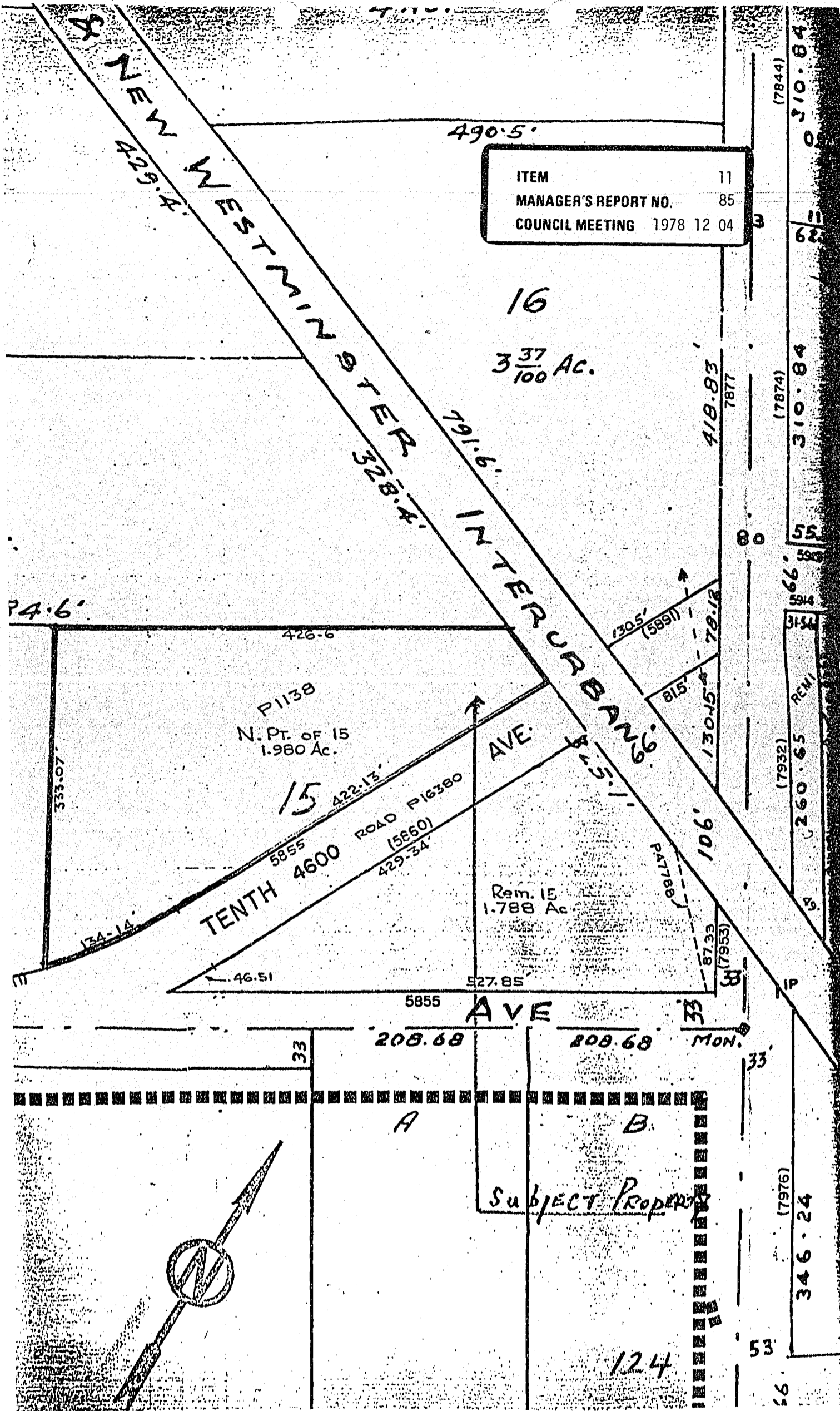
It is the opinion of the Lands Department that a five (5) year lease at \$400.00 per month is justified when taking into account the above information.

A sketch of the subject property is attached.

  
H. Hargreaves  
ACTING LAND AGENT

HH/mh  
Attach:

cc: Municipal Treasurer  
Municipal Solicitor  
Director of Planning  
Municipal Engineer



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3 <sup>37</sup>/<sub>100</sub> Ac.

P1138  
N. Pt. of 15  
1.980 Ac.

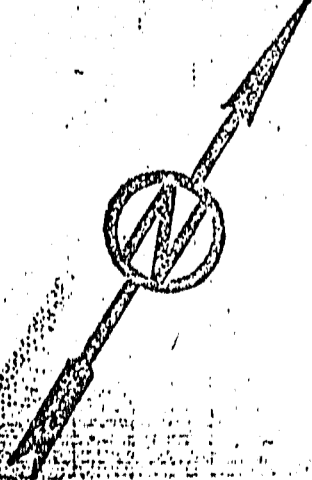
15  
TENTH AVE  
5855 ROAD P16380  
(5860)  
429-34

Rem. 15  
1.788 Ac

AVE

Subject Property

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(7844) 0 310.84  
 11 62  
 (7874) 310.84  
 55 55  
 (7932) 260.65 REMI  
 (7953) 106'  
 (7976) 346.24  
 53 66