

RE: LEASE - 6450 DEER LAKE DRIVE

PARCEL "W", EXPL. 255 AND PARCEL "D", EXPL. 4272 OF D.L. 86, GROUP 1, NWD
(ITEM 10, REPORT NO. 13, 1982 MARCH 01)

ITEM 5
MANAGER'S REPORT NO. 51
COUNCIL MEETING 1982 09 20

ACTING MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Municipal Solicitor be adopted.

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September 15, 1982

TO: MUNICIPAL MANAGER
FROM: SOLICITOR
RE: LEASE 6450 DEER LAKE DRIVE - PARCEL "W", EXPL PL 255 AND PARCEL "D",
EXPL PL 4272, D.L. 85, GROUP 1, NWD
ITEM 10, MANAGER'S REPORT NO. 13, COUNCIL MEETING OF 1982-03-01

RECOMMENDATION:

THAT the base lease on the property at 6450 Deer Lake Drive be reduced from \$1,250 per month to \$1,100 per month commencing October 1, 1982 with all other conditions to remain as approved by Council on 1982 March 01.

R E P O R T

BACKGROUND:

In accordance with Council's instructions, on March 01, 1982, a Lease Agreement was entered into between The Corporation of the District of Burnaby and Mr. and Mrs. Donald Napier on the following terms:

1. THAT the subject property be leased for an initial period of three (3) years at a monthly rental of \$1,250 which includes municipal taxes on a base year of 1982. Tax increases over 1982 to be absorbed by the tenant.
2. THAT the said lease shall contain an option to renew for a further period of two (2) years, at a rate to be negotiated.
3. THAT the Municipal Solicitor be directed to prepare a lease and bring forward a Lease Authorization Bylaw.

Mr. and Mrs. Donald Napier have proved to be very satisfactory tenants. In accordance with the term of the lease they have redecorated five of the rooms and installed new carpet where required, at a direct cost to themselves of \$4,500. Due to a septic tank problem they have to replace more carpet in other areas. In addition to the foregoing, trees have been topped at a cost of \$800 and the grounds are gradually being restored.

At the time the residence was constructed no insulation was installed in the walls and ceilings, subsequently the tenant is finding the cost of heating with oil extremely high. In order to offset this cost, the tenant has requested approval for the installation, at his own expense, of two airtight wood stoves and a solar panel for domestic hot water estimated at a cost of \$3,500. These will be tenants fixtures and he will be required to make good any damage to the building should he wish to remove them.

TENANT'S REQUEST

In consideration of the amount of work already completed and the proposed work being undertaken by the tenant to make the residence more livable, he has requested that to offset the high heating costs and maintenance of the property, would we please consider a reduction in the rent.

RENTAL VALUE

We are currently receiving a net rent made up as follows:


Gross Rent	\$1,250.00
Less 1/12 of the estimated taxes for 1982	<u>207.93</u>
Base rent for 1982	\$1,042.07

When we negotiated this lease we established the value for rental purposes from the current rental market. All of the comparable homes used were large homes in prominent neighbourhoods. These homes were well insulated and did not require the tenant to undertake any major work or redecorating.

We are therefore of the opinion that the base rent for 1982 of \$1,250 per month though reasonable for the newer homes, has proved to be too high for the subject property.

In order to keep this very satisfactory and responsible tenant, we feel that a reduction of the base rent in the amount of \$150 per month is justified and we request authorization to reduce the base rent by this amount.

F.A. Evans/gmc
cc: Treasurer



W. L. Stirling
MUNICIPAL SOLICITOR