

RE: LEASE OF 6110 PRICE STREET
PTN. OF PARCEL "C" EXPL. PLAN 12891 OF LOTS 4-5
D.L. 79, PLAN 536 (BYLAW NO. 7900)

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendations of the *Municipal Solicitor* be adopted.

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April 25, 1983

TO: MUNICIPAL MANAGER
FROM: SOLICITOR
RE: LEASE OF 6110 PRICE STREET
PTN OF PARCEL "C" EXPL PLAN 12891 OF LOTS 4-5
D.L. 79 Plan 536 (Bylaw No. 7900)

RECOMMENDATIONS:

1. THAT the lease between Jack C. Julseth and The Corporation of the District of Burnaby be terminated.
2. THAT the subject property be leased to MICHAEL BEDARD on the same terms and conditions with inclusion of the amendments as outlined in this report.

R E P O R T

BACKGROUND:

Council at its meeting of March 1, 1982 (Item 11, Manager's Report 13) approved the Municipal Solicitor's recommendation that the subject property be leased for single family occupancy commencing April 1, 1982 for an initial period of five (5) years at a monthly rent of \$1500 (\$18,000 per annum) plus municipal taxes. All maintenance and repairs during the lease period to be undertaken by the lessee.

In accordance with Council's authorization, a lease was prepared between The Corporation of the District of Burnaby and Mr. Julseth.

On November 29, 1982 Council received a request from Mr. Julseth explaining that as proprietor of Brentwood Motor Imports, he was a victim of the current economic conditions and he requested a rent reduction. Taking into consideration two independent rental appraisals, Council adopted the recommendation that the rent be reduced to \$1200 per month for a period of one (1) year commencing December 1, 1982.

EXISTING SITUATION:

Brentwood Motor Imports failed to survive the recession. Mr. Julseth under the terms of the existing lease introduced us to Mr. Michael S. Bedard as a prospective tenant for approval and assignment of the lease. We have checked out Mr. Bedard's references and are satisfied that he is capable of assuming and maintaining the terms of the lease. As we could not reasonably withhold assigning the lease, Mr. Bedard and his family are now occupying the premises.

ITEM 6
MANAGER'S REPORT NO. 32
COUNCIL MEETING 1983 05 02

PROPOSED AMENDMENTS TO LEASE:

115

During our discussions with Mr. Bedard, we requested a number of amendments in the lease agreement which would require that the lease be redrawn. Mr. Bedard has agreed to these changes:

1. THAT the rental payment of \$1200 per month shall be accompanied by a payment representing 1/12th of the estimated annual taxes; final tax adjustment to be made with the twelfth payment of each year.
2. THAT the rent shall be subject to revision on December 1 of each year commencing 1983. Negotiations to review the lease rate shall commence on or before October 1 of each year.
3. All other terms and conditions to remain unchanged from the original lease agreement.



W. L. Stirling
MUNICIPAL SOLICITOR

FAEvans/gmc
cc: Director Planning and Building Inspection
Director Engineering
Director Finance
Director Recreation and Cultural Services

* This proposed amendment does not change the amount of rent which will remain at \$1,200 per month, nor does it institute a requirement for the tenant to pay taxes because the lease has always stipulated that the tenant must pay taxes on the property.

The purpose of this amendment is to rescind the present method of collecting taxes on a once a year basis to collection on a monthly basis with any final adjustment as may be required to be made with the twelfth rental payment of the year.