

RE: AGRICULTURAL LEASE - 7689 WILLARD STREET & 6126 - 15TH AVENUE, LOTS 40 & 42, D.L. 155A, PL 28537, GROUP 1, NEW WESTMINSTER DISTRICT

MUNICIPAL MANAGER'S RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER DATE: JUNE 21, 1985

FROM: MUNICIPAL SOLICITOR

RE: AGRICULTURAL LEASE  
7689 WILLARD STREET AND 6126 15TH AVENUE  
LOTS 40 & 42, DISTRICT LOT 155A, PLAN 28537  
GROUP 1, NEW WESTMINSTER DISTRICT

RECOMMENDATION:

1. THAT the annual lease remain unchanged for a further period of three years.

R E P O R T

BACKGROUND:

Council at its meeting of February 12, 1979 adopted the recommendation contained in a report prepared by the Director Planning and Building Inspection thereby authorizing the Legal Department to open negotiations for the agricultural lease of the properties described above.

On March 6, 1979 we entered into a lease agreement with Fu Tim Lau of 6115 19th Avenue, Burnaby for a total period of ten years, commencing April 1, 1979 and terminating on March 31, 1989. The lease contains a clause which gives the municipality the opportunity to review the annual lease rate every three years. For the first three years of the lease the annual rent plus taxes was \$400.00. This was increased after the first three years to \$600.00 per annum plus taxes.

DESCRIPTION OF PROPERTY:

The land area is approximately 1.551 acres which has been improved by the tenant into a productive market garden (see attached sketch).

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LEASE VALUE:

In order to verify the value of the subject property for lease purposes we contacted Mr. Dave Melnychuk, an agrologist with the Farm and Property Management Department of the Provincial Government. He advised that the Provincial Government was leasing acreage for intensive mechanized farming for \$300.00 per acre per annum. These properties produce for the most part one crop per annum. In the Big Bend Area, truck farmers employ more intensive production methods which in a good year could produce three crops per annum. This would suggest that a higher lease value per acre is justified. The subject property is of an awkward size and shape which discourages the use of the more efficient mechanized methods of farming. The tenant has cleared and drained the property and by keeping it in production relieves the municipality of the cost of maintenance.

NEGOTIATIONS:

We have negotiated the renewal of the said lease for a further period of three years for \$600.00 per annum plus municipal taxes.

In the circumstances we could not justify increasing the lease and we would recommend that the said property continue to be leased for a further period of three years at \$600.00 per annum, plus municipal taxes.



Patricia W. Flieger  
Municipal Solicitor

FAE:sb

- c.c. Director Administrative & Community Services
- Director Engineering
- Director Finance
- Director Planning & Building Inspection
- Director Recreation & Cultural Services



