

RE: LEASE OF 5706 IRMIN STREET TO ACTION LINE HOUSING SOCIETY

MUNICIPAL MANAGER'S RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER  
FROM: MUNICIPAL SOLICITOR  
RE: LEASE OF 5706 IRMIN STREET  
LOT "C", BLOCKS 32 AND 33, DISTRICT LOT 97  
GROUP 1, PLAN 1312, NEW WESTMINSTER DISTRICT  
TO ACTION LINE HOUSING SOCIETY

DATE: SEPTEMBER 23, 1985

RECOMMENDATION:

1. THAT this report be received for the information of Council.

R E P O R T

BACKGROUND:

Council at its meeting of March 18, 1985 received a supplementary report, Item 10, Manager's Report No. 21, which was to be followed by a subsequent report when this matter was resolved. On November 1, 1968 The Corporation of the District of Burnaby entered into an agreement for the lease of the land described above for a period of sixty years at an annual rental of \$1.00, such rent to be renegotiated after the initial ten years and every five years thereafter.

The Society constructed a 20 unit residential townhouse complex on the site, and each unit was rented to a low income family. The lease rate remained at \$1.00 per annum up to November 1, 1983.

During our inspection of the property for the purpose of reviewing the lease rate it appeared from the type, age and condition of vehicles sitting in the driveways that this was no longer a low rental project. We mentioned our observations to the rental office of the Action Line Housing Society and our suspicions were affirmed.

2. NEGOTIATIONS:

We have now negotiated a land lease of \$30,000 per annum. This amount being reduced by one-twentieth for each tenant who qualifies for the low rental housing.

At present nine tenants do not qualify for low rental housing, therefore, the Action Line Housing Society is collecting from these tenants an additional \$1,500 per annum by increasing their rent by \$250 per month.

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The lease payments are to be paid quarterly and each payment will be accompanied by a statement showing the rental status of the complex.

In accordance with the terms of the lease agreement the negotiated lease base of \$30,000 per annum commencing July 1, 1985 will be applicable until October 31, 1988 at which time the base lease rent will be renegotiated for a further period of five years commencing November 1, 1988.

The one twentieth formula will be applied to the renegotiated land lease value at that time.



*PF*  
Patricia W. Fliieger  
Municipal Solicitor

FAE:sh

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