

ITEM 5
MANAGER'S REPORT NO. 21
COUNCIL MEETING 86/03/24

RE: LEASE OF 6278 McMURRAY AVENUE
LOT 5, BLK 7, DL 32, GRP 1, PL 1229, NWD TO CANADIAN IMPERIAL BANK OF COMMERCE

MUNICIPAL MANAGER'S RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER DATE: MARCH 17, 1986
FROM: MUNICIPAL SOLICITOR
RE: LEASE OF 6278 McMURRAY AVENUE
LOT 5, BLOCK 7, DISTRICT LOT 32, GROUP 1,
PLAN 1229, NEW WESTMINSTER DISTRICT TO
CANADIAN IMPERIAL BANK OF COMMERCE

RECOMMENDATION:

1. THAT Lot 5, Block 7, District Lot 32, Group 1, Plan 1229, New Westminster District, 6278 McMurray Avenue, be leased to the Canadian Imperial Bank of Commerce for a period of five years commencing March 1, 1986 on the terms as set out in this report.
2. THAT the Municipal Solicitor be authorized to prepare a Lease Authorization Bylaw.

R E P O R T

BACKGROUND:

Council at its meeting of November 21, 1975 authorized the lease of the subject property to the Canadian Imperial Bank of Commerce for a period of five years with an option to renew for a further period of five years. The initial lease commenced at \$3,080.00 per annum and was increased to \$7,000 per annum upon renewal. Municipal taxes on the demised premises levied pursuant to section 336 of the Municipal Act.

The Director Planning and Building Inspection has no objection to the renewal of the said lease for a further period of five years on the condition that the property is to be used for bank related parking purposes in accordance with the existing P8 (Parking District) zoning regulations.

DESCRIPTION OF PROPERTY:

Vacant pie shaped lot having a frontage on McMurray Avenue of 3.6 feet with a depth of 129.4 feet, rear property line 68.07 feet for a total area of 4,637 sq.ft. (see attached sketch). Current zoning P8 (Parking District).

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Canadian Imperial Bank of Commerce
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APPRAISED VALUE:

Due to the size and shape of the lot its development is limited to it being consolidated with adjoining properties. It is therefore a holding proposition. Over the past five years we established its interim use value at \$7,000 per annum, capitalized at 11 percent per annum the indicated value would be \$63,636 or \$13.72 per sq.ft. This value is created by the Bank's need for parking. As a holding proposition the value would be considerably less.

NEGOTIATIONS:

We have negotiated the renewal of the lease for a further period of five years commencing March 1, 1986, terminating February 28, 1991, at an annual rent of \$7,000 paid in advance on the same terms and conditions as the original lease, excluding the option to renew for a further period of five years.

CONCLUSION:

In our opinion the negotiated lease on an interim use basis is well supportive of market value. We would therefore recommend acceptance.

FAE:sb
Attach.

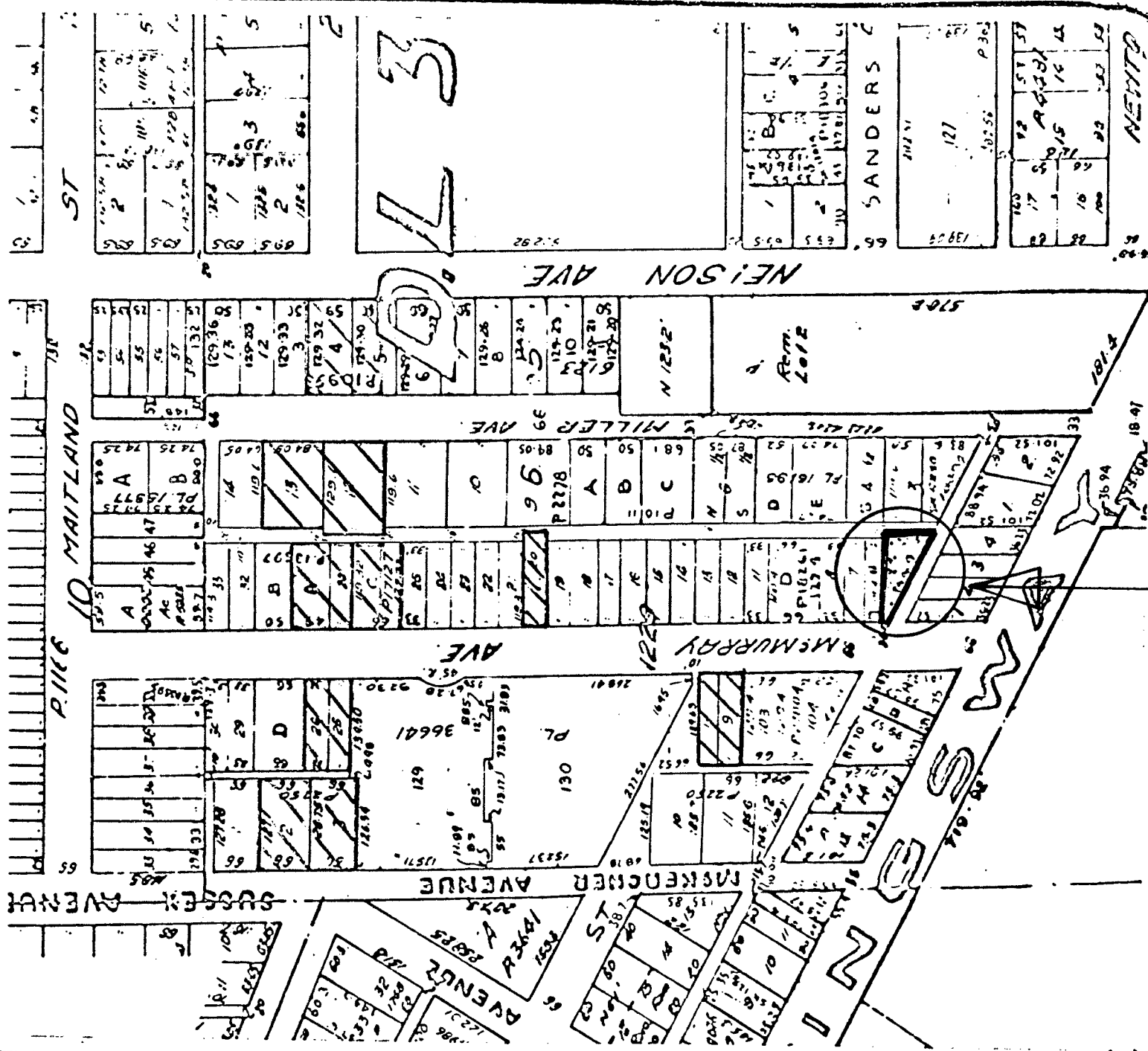
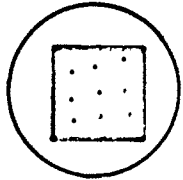
c.c. Director Administrative & Community Services
Director Engineering
Director Finance
Director Planning & Building Inspection
Director Recreation & Cultural Services

W. Flieger
Patricia W. Flieger
Municipal Solicitor

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Subject parcel

Adjacent Municipal property



SCALE 1" = 200'

DRAWN

DATE 6/10/72

subject property

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BURNABY PLANNING DEPARTMENT

