

ITEM 8
MANAGER'S REPORT NO. 63
COUNCIL MEETING 90/10/15

TO: MUNICIPAL MANAGER
FROM: MUNICIPAL SOLICITOR
SUBJECT: PARKING LOT LEASE - CANADIAN IMPERIAL BANK OF COMMERCE
LOT 5, BLK. 7, D.L. 32, GRP. 1, N.W.D., PLAN 1229
6278 McMURRAY AVENUE
PURPOSE: TO RENEW THE PARKING LOT LEASE FOR A FURTHER
PERIOD OF ONE YEAR

OCTOBER 9, 1990

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RECOMMENDATION:

1. **THAT** Council authorize the renewal of the said Lease for a further period of one year (without a further right of renewal), commencing March 1, 1991 at an annual prepaid rent of \$10,000. All other terms and conditions as set out in the Lease Agreement dated March 1, 1986 remain the same.

R E P O R T

Council, at its meeting of April 14, 1975 authorized the lease and rezoning of the subject property to P8 for the development of surface parking. We have continued to renew the lease over the years. The most recent renewal was for a period of five years commencing March 1, 1986 and terminating February 28, 1991. The annual lease over this period was \$7,000 payable in advance (see sketch attached).

Negotiations

The amount of redevelopment activity that has taken place in the Metrotown area indicates that we should avoid encumbering the land for a long period. We have, therefore, negotiated the renewal of the said lease for a further period of one year with no option to renew. The rent for this period will be \$10,000 per annum payable in advance. All other terms and conditions will remain as set out in the lease agreement dated March 1, 1986.

Discussion

In November of 1989 the 6200 block on the west side of McMurray was assembled for redevelopment at \$66.43 per square foot. The subject property has a lot area of 4274 square feet. This would suggest that its value in November of 1989, if consolidated with the adjoining properties, would have been \$283,922. This represents its highest and best use in terms of dollars. Due to the current decline in the economy, the opportunity for realizing these kind of values is slight. Its current use as a parking lot represents an interim use and the negotiated lease rate represents what the market will bear.

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Conclusion

We would, therefore, support a recommendation that the said lease be renewed for a further period of one year only at an annual rent of \$10,000 paid in advance. All other terms and conditions shall remain as set out in the lease agreement dated March 1, 1986.

per P. J. Damschire

Patricia W. Fliieger
Municipal Solicitor

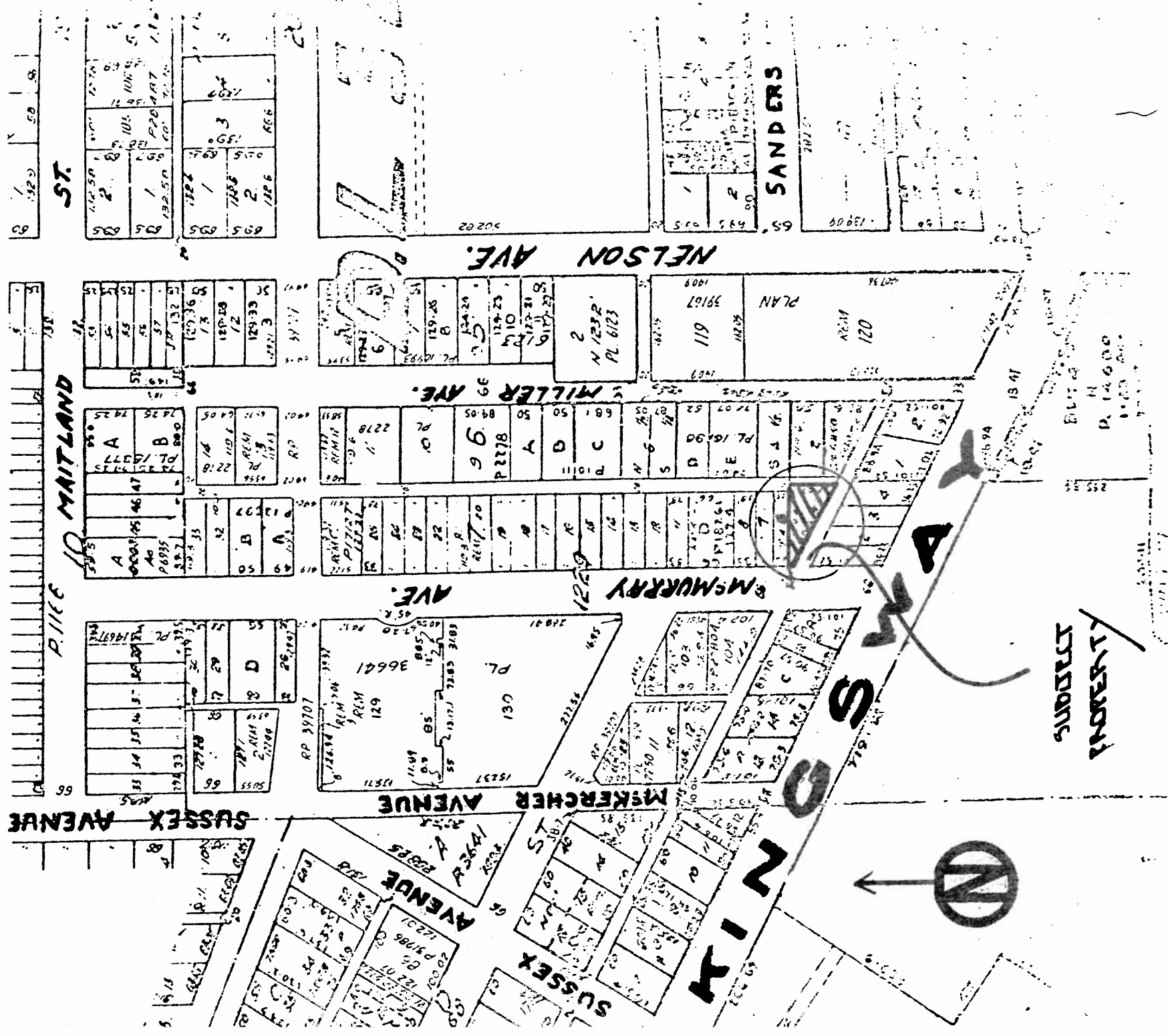
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FAE:bi
Attach.

cc: Director Administrative & Community Services
Director Finance
Director Planning & Building Inspection

- ITEM 19
MANAGER'S REPORT NO. 15
COUNCIL MEETING Feb. 25/74
- ITEM 4
MANAGER'S REPORT NO. 27
COUNCIL MEETING Apr. 14/75
- ITEM 8
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Subject Property



SUBJECT PROPERTY

