

ITEM	6
MANAGER'S REPORT NO.	17
COUNCIL MEETING	93/03/22

TO: CITY MANAGER

MARCH 9, 1993

FROM: 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 SEEK COUNCIL'S AUTHORITY TO RENEW THE
PARKING LOT LEASE FOR A FURTHER PERIOD OF THREE
YEARS.

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RECOMMENDATION:

1. **THAT** Council authorize the renewal of the said lease for a further period of three years commencing on March 1, 1993 amending the lease agreement to include a clause permitting either party to terminate the lease by serving a six calendar month notice. All other terms and conditions remain unchanged.

R E P O R T

Council, at its meeting of April 14, 1975, authorized the lease of the subject property to provide surface parking for the C.I.B.C. We have continued to renew the lease over the years with the most recent lease being for a period of one year commencing March 1, 1992, annual rent \$10,000 paid in advance. The lease term was limited to one year to avoid encumbering the title over a long period.

Negotiations

To reduce cost and staff time the C.I.B.C. has requested that the lease be renewed for a period of three years commencing March 1, 1993 at \$10,000 paid in advance increasing to \$11,000 for years 1994 and 1995. In order to keep the land available for possible redevelopment a clause will be inserted in the lease agreement which would permit either party to terminate the lease by serving a six month notice.

Discussion

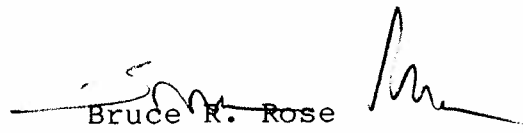
The subject property is an irregular parcel having an area of approximately 4,274 sq. ft. Its assessed value has

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increased from \$115,000 in 1992 to \$185,000 for 1993. As part of an assembled site its market value would be around \$284,000. Its current use as a parking lot represents an interim use. The negotiated lease rate is a reflection of what the market is prepared to pay for parking space.

Conclusion

We would support a recommendation that the lease be renewed on the terms and conditions as set out above.


Bruce R. Rose
Solicitor

FAE:bi

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