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| ITEM                 | 12       |
| MANAGER'S REPORT NO. | 6        |
| COUNCIL MEETING      | 94/02/07 |

**TO:** CITY MANAGER **DATE:** JANUARY 31, 1994

**FROM:** CITY SOLICITOR

**SUBJECT:** AGRICULTURAL LEASE, 7689 WILLARD STREET AND 8126  
15TH AVENUE, LOT 40, D.L. 155A, GRP 1, NWD, PLAN 27750  
AND LOT 42, D.L. 155A, GP 1, NWD, PLAN 38537

**PURPOSE:** TO OBTAIN COUNCIL AUTHORITY TO LEASE THE SUBJECT  
PROPERTY ON THE TERMS AS SET OUT IN THIS REPORT

**RECOMMENDATION:**

**THAT** the subject property be leased to Mr. Shen Chen Kun, on the following terms:

1. **Term:** Eleven months with options to renew for four further periods of one year each.
2. The lessee shall advise the lessor of its intention to exercise the right of renewal on or before the 1st day of November each year. The rent for any renewal is to be negotiated.
3. Rent paid in advance, \$900.00, plus City taxes.
4. The term of the lease will commence February 1, 1994, terminating on the 31st day of December, 1994.

**REPORT**

Council, at its meeting of January 10, 1994, authorized the Legal Department to offer the subject property for lease by public tender. Having received a number of enquiries for the lease of the agricultural land, we placed an advertisement in the Burnaby Now and The News on the weekends of 16 and 23 January, 1994. Two bids were received.

The first bid was received from Mr. Shen Chen Kun of 5642 Knight Street, Vancouver, B.C.. His bid was for \$900.00 per annum for the first 11 months, plus City taxes estimated at around \$100 per annum for 1994.

Through our interpreter we have explained the terms and conditions of the lease to Mr. Shen Chen Kun and he has agreed to accept the terms of the lease.

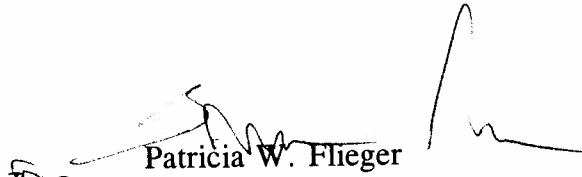
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Mr. Shen Chen Kun is an experienced truck farmer. He has worked in the Big Bend area for a number of years.

The second bid was received from Mr. Abdul M. Mousa of 6042 12th Avenue, Burnaby. His bid was for \$965.00 per annum plus City taxes. However, this bid contained a number of conditions which staff are unable to support, including the placing of a 7% cap on rent and property tax increases during the renewal terms and the tenant being able to divide part of the land into small garden plots to be sub-leased to third parties.

### CONCLUSION

The first bid allows for the re-negotiation of the lease rate every year, it is a clean offer and not subject to any amendments. We would therefore recommend acceptance.

  
Patricia W. Flieger  
City Solicitor

FAE:gk

- c.c. Director Administrative & Community Services
- c.c. Director Planning
- c.c. Director Finance