TO:

CITY MANAGER

DATE:

**AUGUST 21, 1995** 

FROM:

CITY SOLICITOR

**SUBJECT:** 

PARKING LOT LEASE - CANADIAN IMPERIAL BANK OF

COMMERCE - LOT 5, BLOCK 7, DISTRICT LOT 32,

PLAN 1229 - 6278 McMURRAY AVENUE

**PURPOSE:** 

TO SEEK COUNCIL'S AUTHORITY TO RENEW A

LEASE FOR A FURTHER PERIOD OF THREE YEARS.

## **RECOMMENDATION:**

1. THAT Council authorize the renewal of the lease of 6278 McMurray Avenue (Lot 5, Block 7, D.L. 32, Plan 1229) to Canadian Imperial Bank of Commerce for a further period of three years commencing on the 1st day of March 1996 on the same terms and conditions as the existing lease.

#### REPORT

## **BACKGROUND**

Council, at its meeting of April 14, 1975, authorized the lease of the subject property to provide surface parking for the Canadian Imperial Bank of Commerce. Since that time the City has continued to lease the property to the bank. The current lease agreement commenced on March 1, 1993 and will terminate on February 28, 1996. The annual rent was \$10,000 for the first year increasing to \$11,000 for the second and third years of the renewal term, such rent to be paid in advance plus taxes and utility levy (1995 \$5,395.09). Either party to this agreement may terminate the lease by giving the other party not less than six months prior written notice of termination, such termination to occur on the last day of a calendar month.

#### **CURRENT SITUATION**

Canadian Imperial Bank of Commerce has submitted an application for the renewal of the lease for a further period of three years commencing March 1, 1996 with an annual rent of \$12,000 (in each of the three years) payable in advance plus taxes and utility levy.

All other terms and conditions of the existing lease shall remain in full force and effect.

# DISCUSSION

The subject property is an irregular parcel of land having a total area of approximately 4,274 sq. ft. The parking lot was constructed and is maintained by the bank. The assessed value for 1995 reflects its value as part of a land assembly. (Land \$214,000, improvements \$1,200 for a total of \$215,200 or \$50.35 per sq. ft.) Its current use as a parking lot represents an interim use.

## CONCLUSION

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

Patricia W. Flieger City Solicitor

FAE:bi

c.c. Director Planning & Building Director Finance