

TO: CITY MANAGER 2005 MARCH 01

FROM: DIRECTOR OF FINANCE

SUBJECT: LEASE OF CITY LAND AT 6381 LAUREL STREET
S 1/2 OF LOT 8 BLK. E, D.L. 75, PLAN 4147, EXC, PLAN LMP 39077

PURPOSE: To accept a proposal to lease the subject property.

RECOMMENDATION:

1. **THAT** Council authorize the City to lease 6381 Laurel Street to Maxum Crane Rentals Ltd. under the terms and conditions outlined in this report.

REPORT

The subject property is vacant city land that has been leased for industrial purposes since the late 1980's. The most recent tenants, Euphoria Films Ltd., had occupied the property for four years, vacating the property on 2004 July 1.

The small (0.49 Acre) corner lot is zoned M2, and has been leased out as an equipment storage yard for the past several years to companies involved in the movie industry. The proposed tenant (Maxum Crane Rentals Ltd.) operate equipment supply for the local television and movie production industry. Staff were approached to lease the property under similar conditions and terms set forth by past agreements.

PROPOSED LEASE TERMS

The Applicant for the lease of the land will be required to utilize the property in accordance with the existing M2 Industrial Zoning on the property and obtain appropriate approvals and business licences.

The proposed lease rates supplied from the City Solicitor in 2004 June are outline as follows:

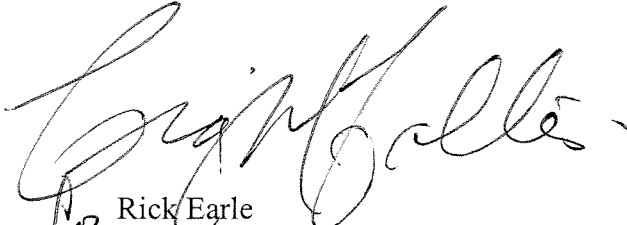
YEAR	PER ANNUM	PER MONTH (plus GST)
1	\$11,700.00	\$ 975.00
2	\$12,240.00	\$1,020.00
3	\$12,720.00	\$1,060.00

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The lease rate collected would be subject to GST plus City taxes and City utility charges. The 2004 City tax levy for this property was \$7,532.23. The 2005 utility levy for this property is \$318.74, which will be prorated accordingly. The proposed lease would contain provision for a six month notice for either party to terminate without penalty.



for Rick Earle
DIRECTOR OF FINANCE.

DP:ae

cc: City Solicitor

p: Licence/Council Reports