
TO: CITY MANAGER **DATE:** 2009 April 24

FROM: DIRECTOR FINANCE

SUBJECT: 4398 LOUGHEED HIGHWAY

PURPOSE: To seek Council authority to enter into a lease agreement with Embassy Development Corporation whereby they would lease 4398 Lougheed Highway from the City for parking lot purposes.

RECOMMENDATION:

1. **THAT** Council authorize staff to enter into a lease agreement with Embassy Development Corporation for their use of 4398 Lougheed Highway as a parking lot, for a two year term, as outlined in this report.

REPORT

1.0 BACKGROUND:

Since 1999, when the Lougheed Highway was devolved from the Ministry of Transportation and Highways to the City of Burnaby, the City has leased the above noted property to Canadian Tire for use as a parking lot for the store on their adjacent property at 4388 Lougheed Highway. Canadian Tire has since closed its store and sold its building and property to Embassy Developments. Embassy has the property available for lease and it is listed with leasing agents at Colliers International. The City's agreement with Canadian Tire ended on 2009 March 31st.

2.0 CURRENT SITUATION:

Until it finds a suitable tenant to lease its building, Embassy has been letting the construction workers employed in their development project located at Rosser and Lougheed Highway park their personal vehicles in the former Canadian Tire parking lot. These employees have also been parking on the City's property and Embassy Developments now wishes to formalize a lease arrangement for the use of the City's land.

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It is recommended that staff be instructed to enter into a two year agreement with Embassy Developments subject to the following conditions:

- Rent at \$1260.00 per month inclusive of GST.
- Payment by the Lessee of all property taxes, levies and assessments applicable to the property.
- The Lessee shall obtain and maintain insurance as required by Risk Management.
- The Lessee shall keep the property free of all pollutants and shall not permit the property to be used for storage, treatment, generation, transportation, processing, handling or disposal of pollutants.
- The Lessee shall observe and abide by all laws, bylaws, orders, and regulations affecting the property.
- The Lessee shall have the option of renewing the lease on an annual basis at rates to be determined at the time, subject to sixty (60 days) written notice to the Landlord.
- Either party may, in its sole discretion, terminate this Agreement upon giving ninety (90) days written notice of termination to the other party.

ACTING

Rick Earle
DIRECTOR FINANCE

SB:dc