



Item.....
Meeting..... 2011 May 09

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2011 May 03

FROM: DIRECTOR FINANCE

**SUBJECT: LEASE OF CITY LAND AT 6381 LAUREL STREET
S1/2 OF LOT 8, BLK. E, D.L. 75, PLAN 4147, EXC, PLAN LMP 39077**

PURPOSE: To obtain Council authority to renew the lease of 6381 Laurel Street to Maxum Crane Rentals Ltd.

RECOMMENDATION:

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

REPORT

The City owned property at 6381 Laurel Street is a vacant 18,937 square foot lot zoned General Industrial – M2. It has been leased out by the City for industrial purposes since the 1980’s and is designated within the OCP for continued industrial use.

The site has been leased to Maxum Crane since 2005 May 1st. The company’s first three year term ended 2008 April 30th, and their second three year term ended 2011 April 30th. The tenant stores cranes onsite which are rented primarily to the film industry.

The tenant is in good financial standing with the City of Burnaby and has complied with all requirements of the contract, and the requirements of the Zoning and Business Licence Bylaws. The Planning Department has no objections to a renewal of this lease arrangement for a five year term.

The proposed lease rates are:

Year	Per Annum	Per Month (Plus HST)
2011 May 01-2012 April 30	\$19,320.00	\$1,610.00
2012 May 01-2013 April 30	\$21,600.00	\$1,800.00
2013 May 01-2014 April 30	\$23,880.00	\$1,990.00
2014 May 01-2015 April 30	\$26,160.00	\$2,180.00
2015 May 01-2016 April 30	\$28,440.00	\$2,370.00

To: City Manager
From: Director Finance
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2011 May 3rd Page 2

The lease would be worth \$119,400.00 to the City over five years. In addition to the rent, the tenant will be responsible for payment of the property taxes and the utilities. The proposed lease will contain a clause that will allow either party to terminate the lease with six months notice without penalty.

Denise Jorgenson
DIRECTOR FINANCE

SB:sf

Copied to: Director Planning & Building
City Solicitor