



TO: CITY MANAGER **DATE:** 2019 May 02

FROM: DIRECTOR - PUBLIC SAFETY AND COMMUNITY SERVICES

SUBJECT: AGRICULTURAL LEASE - 7689 WILLARD STREET AND 6126 15TH AVENUE - LOTS 40 AND 42, DL 155 PLAN 38437

PURPOSE: To obtain Council authority for the City to enter into a five year lease, with one additional five year option, for 7689 Willard Street and 6126 15th Avenue.

RECOMMENDATION:

1. **THAT** Council authorize staff to enter into a five year lease, with one additional five year option, with the current tenant occupying 7689 Willard Street and 6126 15th Avenue as described in this report.

REPORT

1.0 INTRODUCTION

7689 Willard Street and 6126 15th Avenue were originally acquired by the City as part of the Big Bend Development Plan and the relocation of Marine Drive. That plan was ultimately completed without these properties being required. The lands are within the Agricultural Land Reserve and comprise a total area of 1.551 acres (7689 Willard Street is .734 acre and 6126 15th Avenue is .817 acre). The subject properties are outlined on Attachment #1. In 1979 Council authorized leasing these two properties for agricultural uses only.

2.0 POLICY SECTION

Goal

- A Dynamic Community
 - Economic Opportunity – Foster an Environment that attracts new and supports existing jobs, businesses and industries

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3.0 BACKGROUND

Commencing in 1979, the properties have been utilized for market gardening. The most recent five year lease agreement expired on 2018 December 31 and the current lessee has requested a new five year agreement. The Planning Department has confirmed that the continued agricultural use of this land is supported and has encouraged the negotiation of a new lease for this purpose.

The current lessee has focussed on biodynamic agriculture, a method of organic farming that emphasizes a sustainable approach to agriculture. The lessee supplies many lower mainland fine dining restaurants with organic salad mix which includes watercress, forty varieties of lettuce and thirty varieties of kale. This location is close to markets and ensures that the produce is delivered fresh from the field.

The property is leased "as is" and the City assumes no responsibility for the state and condition of the property or for the suitability of the land for agricultural or horticultural purposes. All site maintenance and utilities will be the responsibility of the Lessee.

The Lessee shall keep the property free of all pollutants and shall not permit the property to be used for the 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. Either party may, in its sole discretion, terminate the proposed Agreement upon giving ninety (90) days written notice of termination to the other party.

4.0 RECOMMENDATION

It is recommended the lease be extended for a further five year term. The first year of the lease will be \$4,032 and a *Consumer Price Index* (CPI) increase will be added for each subsequent year. The annual lease rate is subject to GST. The lessee is responsible for all associated property tax and utility charges.



Dave Critchley
Director Public Safety & Community Services

Copies to: Director of Planning and Building
City Solicitor

ATTACHMENT # 1 – Subject properties

ATTACHMENT #1

