

TO: CITY MANAGER**DATE:** 2019 Mar 28**FROM:** DIRECTOR PUBLIC SAFETY AND
COMMUNITY SERVICES**SUBJECT:** LEASE OF CITY PROPERTY AT 6117 MARINE WAY**PURPOSE:** To seek Council authority to enter into a five-year lease agreement with Aldan Enterprises Ltd. for City property located at 6117 Marine Way.**RECOMMENDATION:**

1. **THAT** Council authorize staff to enter into a five-year Lease Agreement with Aldan Enterprises Ltd. for City property located at 6117 Marine Way as outlined in this report.

REPORT**1.0 INTRODUCTION**

The City owned property at 6117 Marine Way has been leased to Aldan Enterprises Ltd. for nursery cultivation and greenhouse use since 2004 March 01. Aldan Enterprises Ltd. also owns the neighbouring properties located at 6151 and 6178 Thorne Avenue. The company had two previous agreements with the City for use of this property, each for a five-year term, which were renewed in 2009 and again in 2014. The area in question is shown outlined on Attachment #1.

The property is approximately 19,030 square feet in area and is a residual parcel that remained in City ownership after the taking of right-of-way by the Province for the construction of the Marine Way. The parcel is zoned A2 Small Holdings District and its use for horticultural (agricultural) purposes is in conformance with the Big Bend Development Plan. There is no street access to the property and entry is currently through 6151 Thorne Ave.

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

The continued agricultural use of this remnant parcel by neighbouring property owners maximizes its utility and productivity with an activity that supports its agricultural zoning designation. The Planning Department supports the proposed renewal.

The Lessee shall continue to be responsible for payment of all property taxes, levies and assessments applicable to the property. The property is leased subject to any existing easements, rights-of-way, covenants, encumbrances and charges. The Lessee is also responsible to obtain and maintain insurance as determined by the City Risk Manager.

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 \$2,553 which is inclusive of a *Consumer Price Index (CPI)* increase from the previous year. A CPI increase will also be added for each subsequent year. The annual lease rate is subject to GST.



Dave Critchley
Director Public Safety and Community Services

Copied to: Chief Licence Inspector
City Solicitor
Director Planning & Building

Attachment #1 – Map showing location of subject site

ATTACHMENT #1

