Corporate Report

NO: R255

COUNCIL DATE: October 4,

2004

REGULAR COUNCIL

TO: DATE: September 23, Mayor &

2004

Council

FROM: General Manager,

Engineering

FILE: 0541-167

SUBJECT: Lease of Office Space at 5740 - 176A Street

RCMP District 4 Policing Station - Cloverdale

RECOMMENDATION

That Council approve a new three year lease of the privately-owned office space located at 5740 - 176A Street for the continued use by the Cloverdale District 4 RCMP.

BACKGROUND

The City currently leases $\pm 5{,}305$ ft.² of office space located within three units at 5740 176A Street for the operation of the Cloverdale RCMP office. In 1996 the City entered into a five year lease agreement with a three year option for $\pm 2,724$ ft.² of office space at this location. In 1998 and 2002 an additional $\pm 2,581$ ft.² was added to the lease area. The lease for these premises expires on October 31, 2004.

DISCUSSION

City staff and the landlord, F.B. Westendorf & Sons Ltd., have reached agreement on the terms of the proposed lease. The term of the lease is for three years commencing November 1, 2004 and ending on October 31, 2007 with two, one-year options to renew. The negotiated base rent for the premises reflects a small increase over the previous lease rate, which has not changed since 1996. These rates reflect current market rates for similar office space in the Cloverdale area.

The lease is a triple net lease in which the City, as tenant, in addition to the base rent, is responsible for common area costs including taxes, utilities and maintenance.

CONCLUSION

The existing lease for the Cloverdale RCMP office expires October 31, 2004. Subject to Council approval, staff and the landlord, F.B. Westendorf & Sons Ltd., have negotiated a new three year lease with two, one-year renewal options. The lease rate for the premises is reflective of current market rates in the Cloverdale area. As the term of the lease allows flexibility for the City to relocate after three years, it is recommended that Council approve the lease of the subject office space.

Paul Ham, P.Eng. General Manager, Engineering

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Appendices:

- I. Site Map
- Aerial Photograph of Site