



Corporate Report

NO: R149

COUNCIL DATE: June 20, 2005

REGULAR COUNCIL

TO: Mayor & Council DATE: June 14, 2005
 FROM: General Manager, Engineering FILE: 0930-3/192
 SUBJECT: Modification of Lease of the Justice Centre and Remand Centre
 (14323 & 14340 - 57 Avenue)

RECOMMENDATION

That Council authorize the City Clerk to bring forward a by-law to amend Leasing By law 9242 dated October 26, 1987 to support and endorse a previous amendment to the Lease of the Justice Centre and Remand Centre lands located at 14323 & 14340 - 57 Avenue, whereby the Pondsides land was deleted from the leased lands.

ORIGINAL LEASE AND PONDSIDE RESTAURANT LANDS

British Columbia Building Corporation (BCBC) leases the City lands located at 14323 & 14340 - 57 Avenue for a 50 year term that commenced in October 1987 and ends in October 2037. The 1987 Memorandum of Agreement between BCBC and the City, pertaining to the Lease and the development of the Justice Centre and Remand Centre, obligated BCBC to construct and operate a restaurant within the facility. However, the parties later agreed in 1992 to have BCBC released of the obligation to build the restaurant, and in return BCBC compensated the City with cash-in-lieu of their commitment to construct the restaurant.

The City subsequently constructed the Pondsides restaurant on lands comprised within BCBC's original leased lands measuring 11.66 acres (4.72 hectares) in area. At that time it was agreed that the Lease be amended by deleting the restaurant land measuring 16,011 ft.² (0.149 hectare) in area from the original leased lands. The amended leased area comprises an area of 11.29 acres (4.57 hectares).

HIGHWAY 10 WIDENING

The Ministry of Transportation is proposing to widen Highway 10 from 176 Street to Scott Road. The Ministry requires the acquisition of a portion of the Justice Centre land to facilitate this highway widening project.

PROPOSED LEASE AMENDMENTS

The Lease and its subsequent Amendment covering the deletion of the Pondsides land from the leased area, together with the deletion of the Highway 10 widening area, have not been registered at the Land Title Office (LTO). To facilitate the transaction for the Ministry's acquisition requirement, staff are proceeding to have the Lease and the Amendment with necessary associated leased plan registered at the LTO. These actions will give full legal effect and force to the Lease.

The Legal Services Division has advised that as the Lease was authorized by a leasing by-law (By-law 9242), the Amendment modifying the leased area, through the deletion of the Pondsides land and Highway 10 widening land from the leased area, must also be authorized by by-law. The Amendment has not yet been authorized by a by-law, and by-law authorization is now being requested.

CONCLUSION

To facilitate the Ministry's proposed partial land acquisition of City lands located at 14323 & 14340 - 57 Avenue and leased to BCBC, staff are taking actions to have the Lease, the Amendment, and associated lease survey plan registered at the LTO. The previous Amendment pertaining to the deletion of the Pondsides land must also be authorized by a by-law. It is recommended that Council authorize the City Clerk to bring forward a by-law to amend Leasing By-law 9242, thereby allowing City staff to proceed with actions to effect the registration of the Lease.

The issue of compensation to the City from the Ministry of Transportation for the required road widening lands will be dealt with by a subsequent report.

Paul Ham, P.Eng.
General Manager, Engineering

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Appendices

- I. Site Map
- II. Aerial Photograph of Site