



Corporate Report

NO: R241

COUNCIL DATE: November 7,

2005

REGULAR COUNCIL

TO: Mayor & Council DATE: October 18, 2005

FROM: General Manager, FILE: 0930-30/105
Engineering

SUBJECT: Lease of City-Owned Property at 13455 - 72 Avenue

RECOMMENDATION

That Council approve the new lease of 13455 - 72 Avenue to Aviscar Inc. for a term of five years with a five year renewal term

BACKGROUND

The ±14,520 ft.² City-owned property located at 13455 - 72 Avenue is improved with a ±1,335 ft.² single storey, wood frame, commercial building. This lot and building were previously leased to Options: Services to the Communities Society (Options) for the operation of the Surrey HandyDART bus service. In August 2005, Options gave notice that they had found a new larger site for their operations and would be vacating the premises. The site is zoned CHI (Highway Commercial Industrial) and is designated Commercial in the Official Community Plan.

DISCUSSION

Subject to Council approval, staff have negotiated a new lease agreement with Aviscar Inc., which includes a lease rate that is comparable to the prevailing market rents for similar premises. Avis's proposed use for the subject property is for an automotive vehicle and light truck rental facility, which is in keeping with the surrounding land uses.

CONCLUSION

The City's previous lease of the premises at 13455 - 72 Avenue ended in August 2005. Staff have now negotiated a new five year lease of the premises with Aviscar Inc. The proposed lease offers the City a solid tenant, clean use, and a lease rate that is at or above prevailing market rates. As such, it is recommended that Council approve a new five year lease of the premises at 13455 - 72 Avenue to Aviscar Inc. with one, 5 year option to renew.

Paul Ham, P. Eng.
General Manager, Engineering

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Appendices:

I. Aerial Photograph of Site