

NO: R033

COUNCIL DATE: March 1, 2010

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **February 25, 2010**

FROM: **General Manager, Engineering**

FILE: **0930-30/192**

SUBJECT: **Lease of Land to the Province**

RECOMMENDATION

The Engineering Department recommends that Council approve:

1. an amendment to the existing lease agreement with the Province that covers the Surrey Courthouse and Pre-Trial Services Centre premises to eliminate the 4.215 acre area on which the Pre-Trial Centre premises is located; and
2. approve a new lease with a term of 50 years for the 4.215 acre area of land on which the existing Pre-Trial Services Centre premises is located at 14323 – 57 Avenue and a contiguous 3.19 acre area of land at 14245 – 56 Avenue, all as generally illustrated on Appendix I.

BACKGROUND

In 1987 the City entered into a 50 year ground lease with the Province to allow for the construction of the Surrey Courthouse and Pre-Trial Services Centre. There are approximately 27 years remaining on this lease.

DISCUSSION

To facilitate the modernization of, and an expansion to the existing Pre-Trial Services Centre, the Province has requested a new lease in relation to that Centre comprising the original lease area and a contiguous area of 3.19 acres (see Appendix I). The lease will cover a total area of 7.405 acres. This area is designated as “Institutional” in the South Newton NCP.

City staff and Provincial officials have reached an agreement on the main terms and conditions of the lease, which will be a prepaid lease at full market value based on an independent appraisal.

SUSTAINABILITY CONSIDERATION

The proposed lease of land will assist in achieving some of the City's socio-cultural and economic scope actions as articulated within the Surrey Sustainability Charter. These include:

- “The City will work co-operatively with senior levels of government in social infrastructure investments into Surrey” (SC19).
- By retaining the land through a prepaid lease the City is “employing sound accounting and financial management practices and structures” (EC4).

Next Steps

Subject to Council approval of the recommendations of this report, a notice of the proposed long-term lease to the Provincial Ministry of Citizens' Services will be published in the local newspaper pursuant to the Community Charter. Staff will finalize the lease agreement with the Province and commence subdivision of the City lands to create the lease parcel. The lease will be subject to the issuance of a development permit for the project, as well as an amendment to the existing Courthouse/Pre-Trial Services Centre lease to remove the Pre-Trial Centre area.

CONCLUSION

The Engineering Department recommends that Council approve:

- an amendment to the existing lease agreement with the Province that covers the Surrey Courthouse and Pre-Trial Services Centre premises to eliminate the 4.215 acre area on which the Pre-Trial Centre premises is located; and
- approve a new lease with a term of 50 years for the 4.215 acre area of land on which the existing Pre-Trial Services Centre premises is located at 14323 – 57 Avenue and a contiguous 3.19 acre area of land at 14245 – 56 Avenue, all as generally illustrated on Appendix I.

It is noted that all area calculations and measurements contained in this report are approximate and subject to final survey.

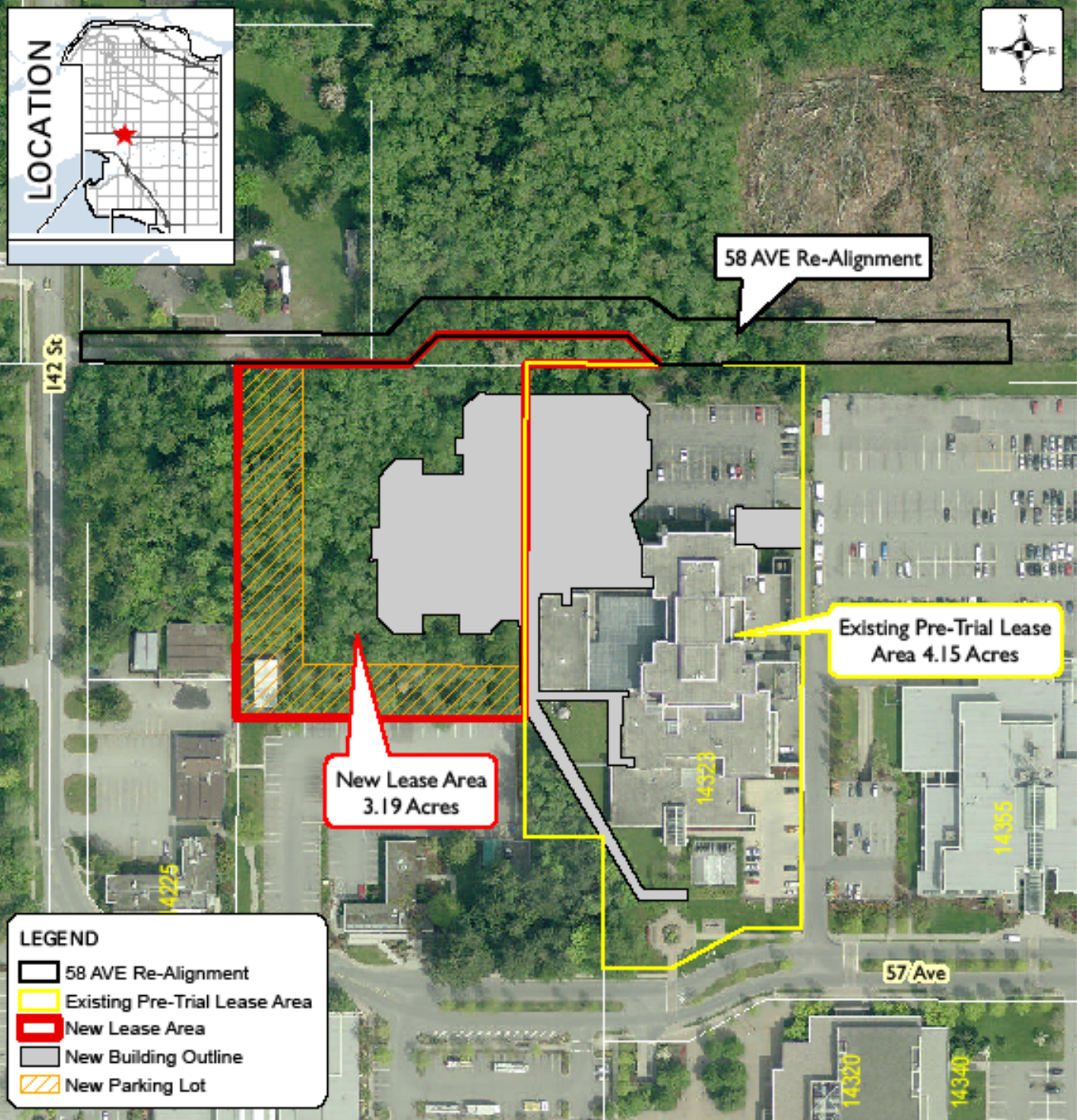
Vincent Lalonde, P.Eng.
General Manager, Engineering

KSW/mpr

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Appendix I - Aerial photo showing the subject lease area and the existing and proposed building footprint area

APPENDIX I AERIAL PHOTOGRAPH OF SITE



LEGEND

- 58 AVE Re-Alignment
- Existing Pre-Trial Lease Area
- New Lease Area
- New Building Outline
- New Parking Lot

Produced by GIS Section: February 11, 2010, AW

Date of Aerial Photography: April 2009



PROPOSED PRE-TRIAL SERVICES CENTRE EXPANSION

ENGINEERING
DEPARTMENT

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey.
This information is provided for information and convenience purposes only.
Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office.

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