



# **Corporate** NO: R216

# **Report** COUNCIL DATE: October 2, 2000

## **REGULAR COUNCIL**

**TO: Mayor & Council**    **DATE: September 13, 2000**

**FROM: General Manager, Engineering**    **FILE: 0541-207**

**SUBJECT: Lease of 16666 - 24 Avenue (Grandview Reservoir)**

## **RECOMMENDATION**

That Council approve a \$1.00 per year lease of a 1.28 hectare portion of the City property at 16666 - 24 Avenue (Grandview Reservoir) to the Greater Vancouver Water District for a 33 year term commencing September 1, 1999 with a right of renewal for a second term of 33 years.

## **BACKGROUND**

The City-owned property at 16666 - 24 Avenue has a total area of  $\pm 1.948$  hectares ( $\pm 4.814$  acres). In 1999 the Greater Vancouver Water District (GVWD), a branch of the GVRD, constructed the Grandview Reservoir on a 1.28 hectare (3.16 acre) portion of the property as part of the Water Supply Agreement between the City and the GVWD dated August 14, 1989. The Water Supply Agreement provides for the City to either transfer the property in fee simple to the GVWD or enter into a lease agreement with the GVWD in respect of any City lands on which a reservoir or pump station has been constructed by the GVWD.

The subject property is designated Suburban in the Official Community Plan and is zoned One Acre Residential (RA).

## **DISCUSSION**

The City has negotiated with the GVRD for a lease of the 1.28 hectare portion of the subject property on which the Grandview Reservoir is situated. The Water Supply Agreement states that the lease must be for a term of not less than the useful life of the reservoir and that the lease payment is nominal. Therefore, the lease will be for a term of 33 years, with the right of renewal for a second term of 33 years. The lease duration corresponds with existing leases on other City lands improved with a reservoir or pump station. A summary of the pertinent information regarding the lease is as follows:

Lessor: City of Surrey

Lessee: Greater Vancouver Water District

Property's Site Area: 1.948 hectares (4.814 acres)

Leased Area: A ±1.28 hectare (3.16 acre) portion

Improvements: Grandview Reservoir owned by the GVWD

Purpose: Maintenance and operation of Grandview Reservoir

Lease Term: 33 years from September 1, 1999 with right of renewal for a second 33 year term

Lease Rate: Nominal rent of \$1.00 per year

The City will reserve the right to develop park and recreational facilities on the leased lands, including the rights to operate tennis courts and/or skateboards on the surface of the reservoir.

## CONCLUSION

The GVWD has constructed the Grandview Reservoir on the subject property. It is necessary for the GVRD to enter into a lease agreement for the maintenance and operation of the reservoir. The City and the GVRD have agreed on all the terms and conditions of the lease. It is recommended that Council approve the lease of the 1.28 hectare portion of the City property at 16666 - 24 Avenue to the Greater Vancouver Water District for a 33 year term commencing on September 1, 1999 at the nominal rent of \$1.00 per year. The lease terms will include the right of renewal for a second term of 33 years.

Jorgen Johansen, P.Eng.

General Manager, Engineering

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### Appendices

- I. Location Map
- II. Site Map
- III. Aerial Photograph