



Legislation Text

File #: 20-0046, Version: 1

Resolution to Approve Riverside Park Parking Lot Land Lease with the University of Michigan (**8 Votes Required**)

Attached for your review and action is a resolution to approve a land lease agreement with the University of Michigan to lease 18 parking spaces at Riverside Park. The 18 parking spaces are located along the north boundary line of the park, adjacent to Canal Street (shown on Exhibit A of the lease). The term of the lease agreement will be for two years, with the option to renew the lease for one successive two-year period.

The lease is an updated version of the current one that expires February 29, 2020, and contains essentially the same conditions. Dates and the rent amounts have been updated. During the term of the lease, the University shall pay to the City rent in the amount of \$13,305.00 (\$739.00 per spot) in the first year of the rental period, and \$13,704.00 (\$761.00 per spot) for the second year. These amounts are 3% annual increases. This revenue is recognized in the Parks & Recreation Services General Fund budget.

The University has access to the parking spaces Monday through Friday from 6:00 a.m. to 5:00 p.m. Outside of those times the parking spaces are available for park use, which dovetails with the times the park is busiest: after work hours for programmed activities and the weekends.

Exhibit B of the lease agreement contains provisions for maintenance, security and signage. It also specifies the days and times of use as Monday through Friday from 6:00 a.m. to 5:00 p.m. The parking will be available for park use at all other times.

PAC recommended approval of this lease at their January 28, 2020 meeting.

Prepared by: Colin Smith, Parks and Recreation Services Manager

Reviewed by: Derek Delacourt, Community Services Area Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, It is the desire of the City and the University to continue a lease arrangement for the 18 existing parking spaces at Riverside Park adjacent to Canal Street;

Whereas, The University has requested continued use of the 18 parking spaces;

Whereas, PAC recommended approval of this lease at their January 28, 2020 meeting;

Whereas, A lease agreement, which specifies days and times of use, has been prepared by the City and reviewed by the University;

Whereas, The annual revenue is recognized in the Parks & Recreation General Fund;

Whereas, The term of the agreement shall be two years, with an option to renew the lease for one successive two-year term; and

Whereas, The City Administrator hereby recommends that the City not expend the money on an appraisal report prior to execution of this lease, per Chapter 14, Section 1:321 of the Municipal Code, as the University's parking pass information is public;

RESOLVED, That an appraisal report is not necessary as the City is receiving a fair rental rate relative to the University parking pass rates for their proportionate use of the parking spots;

RESOLVED, That City Council approve the Riverside Park Parking Lot Land Lease for use by The University of Michigan for parking at Riverside Park;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the lease agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take all necessary administrative actions to implement this resolution including authorization of Lease's renewal through 2024.