

MEMORANDUM

TO: Parks Advisory Commission

FROM: Josh Landefeld, Parks and Recreation Services Deputy Manager

DATE: February 28, 2023

SUBJECT: Resolution to recommend approval of a Lease with Huron River Holdings, Inc. for Use of a Parking Lot at 412 and 416 Longshore Drive (\$15,000.00)

Attached for your review and action is a resolution to recommend a lease with Huron River Holdings, Inc. for use of the parking lots at 412 and 416 Longshore Drive. These parking lots has been used to accommodate parking needs at the Argo Livery since 2012. Use of these lots helps to reduce the amount of street parking in the neighborhood during the livery season by park users.

Terms of the lease allowed the City to use the approximately 40 spaces in the west parking lot will be for park use only and used seven days per week, 9 a.m. to sunset. The additional 6 spaces in the west parking lot that are marked reserved and the approximately 12 spaces in the east parking lot will be available for park use on weekends and holidays only for additional parking for the Argo Park and Livery. The popularity of water recreation and the Cascades has resulted in the parking lot being used for overflow parking since the beginning of this lease. The lease before you reflect an increase in the annual payment to \$15,000.00. The term of this amended lease will be from April 15, 2023 - October 25, 2023, with an option to renew administratively for 5 successive 1-year periods, additional years would include a 5% increase per year.

The parking lots at 412 and 416 Longshore Drive provides up to an additional 58 parking spaces. It is expected that user fees will continue to help offset the cost of leasing the parking lot for the livery season. Funding is available in the approved FY2023 Parks & Recreation Services General Fund operating budget and will be contained annually in the Parks & Recreation Services General Fund for future years of the agreement.

Since the total amount of the lease would be over \$50,000, an appraisal is required municipal code. The City Administrator has reviewed the lease agreement and has recommended 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, due to the fact that the new amount is similar to the prior lease and that lease is terminable each year if the amount becomes financially unviable or no longer necessary.

Staff is recommending approving this lease in the amount of \$15,000.00 for the first year.

Resolution to recommend approval of a Lease with Huron River Holdings, Inc. for Use of a Parking Lot at 412 and 416 Longshore Drive (\$15,000.00)

Whereas, Argo Canoe Livery and Argo Cascades are used heavily due to the popularity of water recreation,

Whereas, The parking lot at 412 and 416 Longshore Drive provides up to 58 parking spots in close proximity to the Argo Livery;

Whereas, Demand for parking at the canoe livery is 7 days a week between April and October when the Livery is open;

Whereas, This parking lot has been used since the 2012 season and has assisted in helping meet parking demand;

Whereas, It is anticipated that revenue from users fees will help offset the cost of leasing the parking lot for the livery season;

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, and

Whereas, Funding is available in the approved FY2023 Parks & Recreation Services General Fund operating budget;

RESOLVED, That Parks Advisory Commission recommend approval of a lease with Huron River Holdings, Inc. in the amount of \$15,000.00 for use of parking lot at 412 and 416 Longshore Drive for additional Argo Canoe Livery parking with an option to administratively renew for 5 successive 1-year periods; and

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