



## Legislation Text

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**File #:** 14-1159, **Version:** 2

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### Resolution to Approve Fuller 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 the three parking lots at Fuller Park. The existing lease expires on August 31, 2014. The term of the new lease agreement will be for two years, with the University having the option to renew the lease for one additional two-year period.

The three lots are the existing parking lot south of Fuller Road adjacent to the railroad tracks (Lot A), the paved parking lot north of Fuller Road at Fuller Park (Lot B) and the unpaved parking lot also north of Fuller Road at Fuller Park (Lot C). Lot A has been leased to the University for parking since 1993. Lots B & C have been leased since 2009.

The primary function of the three parking lots is to provide parking for park activities. The leases restrict University use during peak park use time periods. Exhibit A of the agreement contains provisions for maintenance, security and signage, and specifies the days and times of use. Lot A will be leased to the University from 4:00 am to 4:00 pm Monday through Friday. Lot B (paved lot) will be leased from 6:00 am to 5:00 pm Monday through Friday, beginning the day after Labor Day through the Friday before Memorial Day, excluding holidays. Lot C (unpaved lot) will be leased from 6:00 am to 5:00 pm Monday through Friday, excluding holidays.

The revenue derived from the lease is recognized in the Parks & Recreation General Fund revenue budget. A 7.5% increase was negotiated in 2012. Annual revenue per terms of this lease will be \$78,665.00.

Differences between the expiring lease and proposed new lease:

- The expiring lease has a section titled "Early Termination/Potential Rail Station and Local Connector." The proposed new lease replaces this section with a similar section titled "Early Termination/ Transportation Use." Lot A is one of three locations included in the Ann Arbor Station Environmental Review currently underway. A final recommendation for a specific site, including a conceptual design, is expected by the end of this year.
- The times that Lot A is available for University use change from 6 a.m. to 6 p.m. to 4 a.m. to 6 p.m., Monday through Friday.

The Park Advisory Commission (PAC) recommended approval of this lease at their July 15, 2014 meeting.

Prepared by: Colin Smith, Parks & Recreation Services Manager, Community Services

Reviewed by: Sumedh Bahl, Community Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, On September 29, 1993, an agreement was entered into between the City of Ann Arbor

and University of Michigan for the establishment and operation of a parking lot on City-owned property at Fuller Park, located south of Fuller Road;

Whereas, The parking lots north of Fuller Road have been leased to the University since 2009;

Whereas, The lease generates significant revenue for the Parks & Recreation General Fund;

Whereas, It is the desire of the City and the University to continue the lease arrangement;

Whereas, The Park Advisory Commission recommended approval of this lease at their July 15th, 2014 meeting; and

Whereas, The term of the agreement shall be one year, with an option to administratively renew the lease for one additional one-year term;

RESOLVED, That City Council approve the Fuller Park Parking Lot Land Lease for use by The University of Michigan for parking in Fuller 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 Council directs the City Administrator to devise a plan for parking enforcement for the Fuller Road parking lots for hours when the lots are not in use for park purposes or available under the terms of parking lot lease.

**As Amended by City Council on November 17, 2014**