



Legislation Text

File #: 23-0331, Version: 1

Resolution to Enter a Lease with Huron River Holdings, LLC for Seasonal Parking for Argo Park (\$102,031.00 / 6 yrs.) **(8 Votes Required)**

This resolution approves a one-year lease with up to 5 automatic renewals with Huron River Holdings, LLC for use of the parking lots at 412 and 416 Longshore Drive. The popularity of water recreation and the Cascades has resulted in a lack of parking at Argo Park at peak times during livery season. These parking lots have been used to accommodate overflow parking needs at Argo since 2012 and help to reduce the amount of street parking in the neighborhood.

The lease allows the City to use the approximately 40 spaces in the west parking lot for park use 7 days per week, 8 a.m. to sunset. An additional 6 spaces in the west parking lot that are marked reserved and approximately 12 spaces in the east parking lot will be available for park use on weekends and holidays only. The term of this lease is April 15, 2023 - October 25, 2023 (livery season) each year. The lease automatically renews for up to 5 additional years unless one party opts out.

Budget/Fiscal Impact

Each additional year of the lease includes a 5% rental increase. It is expected that revenue from user fees will continue to offset the cost of leasing these parking lots. 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 lease.

2023	\$15,000
2024	\$15,750
2025	\$16,538
2026	\$17,365
2027	\$18,233
2028	\$19,145

Total \$102,031

Since the total amount of the lease may exceed \$50,000, an appraisal is required by section 1:321 of City Code unless, upon the recommendation of the City Administrator, Council adopts a resolution specifying why an appraisal is unnecessary. The City Administrator recommends that the City not expend money on an appraisal report, because the new lease amount is similar to the prior lease (\$12,750 in 2022) and the lease is terminable each year if the amount becomes financially unviable or no longer necessary.

The Park Advisory Commission recommended approval of this lease at their February 28, 2023 meeting;

Prepared by: Josh Landefeld, Parks and Recreation Manager
Reviewed by: Christopher Frost, Senior Assistant City Attorney

Derek Delacourt, Community Services Area Administrator

Approved by: Milton Dohoney Jr., City Administrator

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

Whereas, The parking lots at 412 and 416 Longshore Drive provide up to 58 parking spots in close proximity to Argo Park;

Whereas, These parking lots have been used since 2012 and have helped meet parking demand during livery season; and

Whereas, The City Administrator has recommended that the City not expend money on an appraisal for this lease per Section 1:321 of City Code;

RESOLVED, That City Council approves a lease with Huron River Holdings ,LLC for 1 year, with up to 5 successive 1-year renewals, in the amount of \$15,000.00 for 2023 and increasing 5% for each year thereafter, for use of the parking lots at 412 and 416 Longshore Drive for seasonal parking for Argo Park;

RESOLVED, That the Mayor and City Clerk are 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.

RESOLVED, That, per Section 1:321 of City Code, an appraisal is not necessary as the new lease amount is similar to the prior lease and the lease is terminable each year if the amount becomes financially unviable or no longer necessary; and

RESOLVED, That the City Administrator is authorized to take all appropriate actions to implement this resolution, including to terminate the lease under its terms if the City Administrator determines it is in the best interest of the City.