



Legislation Text

File #: 21-1596, Version: 1

Resolution to Approve Holdover of the Current Lease and Authorize a New Lease of the Old Fire Station to the Ann Arbor Hands-On Museum **(8 Votes Required)**

The City has leased the Old Fire Station at the corner of E. Huron and N. Fifth St. to the Ann Arbor Hands-On Museum (AAHOM) since August 5, 1981. The original lease, as amended, expired on August 5 this year and AAHOM has requested another lease. City staff and the AAHOM are working on an updated 5 year lease, renewable up to 7 times, for a total potential lease of 40 years. Staff recommends approving a holdover under the same terms as the prior lease until December 31, 2021 to allow time to negotiate and execute the updated lease.

Prepared by: Christopher Frost, Senior Assistant City Attorney

Approved by: John Fournier, Acting City Administrator

Whereas, The City has leased the Old Fire Station to the Ann Arbor Hands-On Museum (AAHOM) since August 5, 1981;

Whereas, The lease has expired and AAHOM has requested a new lease; and

Whereas, The City Administrator hereby recommends that the City not expend money on an appraisal report prior to execution of this lease per City Code section 1:321 because the AAHOM provides a City benefit through its operation of the Hands-On Museum, which serves as consideration for the lease;

RESOLVED, That an appraisal report is not necessary as AAHOM's operation of the Hands-On Museum provides a City benefit which will serve as consideration for the lease;

RESOLVED, That City Council approves and ratifies AAHOM to hold over as lessee of the Old Fire Station until December 31, 2021 under the terms of the lease executed by the parties on August 5, 1981, as amended;

RESOLVED, That the Mayor and City Clerk are authorized and directed to execute a new lease agreement with AAHOM after approval as to substance by the City Administrator and approval as to form by the City Attorney;

RESOLVED, That the new lease shall be for an initial term of five years, with up to seven five-year renewals;

RESOLVED, That AAHOM's continued operation of the Hands-On Museum shall serve as consideration for the new lease; and

RESOLVED, That the City Administrator is authorized to take all appropriate administrative actions to implement this resolution.