



Legislation Text

File #: 24-0002, Version: 1

Resolution to Approve a Five-Year Lease with the University of Michigan for Parking at Riverside Park **(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 five years, with the option to renew the lease for one successive three-year period.

The draft lease is an updated version of the current one that expires February 29, 2024, 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 \$14,543.00 (\$807.94 per spot) in the first year of the rental period, with the rent increasing by 2.5% per year thereafter. 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.

PAC recommended approval of this lease at their January 16, 2024 meeting.

Prepared by: Josh Landefeld, Parks & Recreation Services Manager

Reviewed by: Derek Delacourt, Community Services Area Administrator

Approved by: Milton Dohoney Jr., 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, The Park Advisory Commission recommended approval of this lease at their January 16, 2024 meeting;

Whereas, A draft 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; and

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

RESOLVED, That City Council approves a Riverside Park Parking Lot Land Lease for use by The University of Michigan for parking at Riverside Park for a five-year term beginning March 1, 2024, with an optional three-year extension;

RESOLVED, That the rent shall be for \$14,543.00 for the first year, increasing 2% each year thereafter for the initial five-year term;

RESOLVED, That the Mayor and City Clerk are 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 is authorized to take all necessary administrative actions to implement this resolution and the lease, including all determinations delegated to the City under the lease, including terms of the optional three-year extension.