



## Request for City Council Committee Action from the Department of

**Date:** February 12, 2013

**To:** Council Member Lisa Goodman, Community Development Committee

**Subject:** Authorization of lease for solid waste and recycling enclosures on Cedar-Riverside parking lots B and C with the West Bank Business Association

**Recommendation:** Authorize appropriate staff to execute a lease with West Bank Business Association to construct and maintain solid waste and recycling enclosures on the City-owned parking lots B and C in the Cedar Riverside neighborhood for five years, term effective January 1, 2013.

**Previous Directives:** The City, through the Minneapolis Community Development Agency, acquired Lot B (18th Avenue South and 3rd Street South) on November 8, 1982; and Lot C (18th Avenue South and Riverside Avenue South) on December 31, 1985.

### Department Information

Prepared by: Erik Hansen, Principal Project Coordinator (612-673-5022)

Approved by: Charles T. Lutz, CPED Deputy Director \_\_\_\_\_

Catherine A Polasky, Director of Economic Policy & Dev. \_\_\_\_\_

Presenters in Committee: Erik Hansen

### Financial Impact

- Action is within the Business Plan
- Other financial impact – West Bank Business Association will pay an annual rental fee of \$912 (\$456/lot)

### Community Impact

- Neighborhood Notification – West Bank Business Association (“WBBA”), its Parking Committee, and facility users were involved in the development of the terms of the lease.
- City Goals – Consistent with Jobs and Economic Vitality; Strong commercial corridors, thriving business corners
- Comprehensive Plan – Consistent with existing conditions of parcels
- Zoning Code – Will comply with zoning

## Supporting Information

Business surrounding two City-owned parking lots in the Cedar-Riverside neighborhood have constructed communal solid waste and recycling enclosures. These enclosures have existed under an informal agreement allowing the placement on the parking lot for the sole use by the adjacent businesses. A lease will create a formal agreement defining terms of use. West Bank Business Association will act on behalf of the users of the enclosures as the Tenant in the lease.

City staff convened site visits and conversations with the users of the receptacles to develop the terms. The proposed lease will have a term from January 1, 2013 to December 31, 2017 which coincides with the current parking lot operator agreement. The proposed lease terms follow the City policy requirement to charge a fair-market rental fee. Below are the proposed terms to use as the basis for the lease.

### Lease Terms

- **Fee:** As prescribed in the City policy, there will be fair market value rental fee of \$456/annually-per-lot for a total annual rental rate of \$912.
- **Entity:** West Bank Business Association will act as the Tenant. The Tenant will be responsible for timely rent payment and all other contractual responsibilities.
- **Term:** 5-year term from January 1, 2013 to December 31, 2017 with a cancellation option by either party with at least a 180-days' notice.
- **Uses:** The City will provide a location for one solid waste dumpster, one recycling dumpster, and area required for screening fences. The City will allow free passage of a solid waste and recycling operator(s) onto each lot to service the location.
- **Location:** The City, the parking lot operator and Tenant will work together to identify a location that minimizes disruption of parking lot operations.
- **Screening:** At its cost, the Tenant will construct and maintain screening of the receptacles in accordance with the City's zoning regulations.
- **Solid Waste and Recycling Operator:** The solid waste and recycling operator(s) shall be licensed to operate in Minneapolis and the selection is at the sole discretion of the Tenant.
- **Illegal dumping:** The Tenant shall be responsible for all costs associated with removal of illegally dumped material in and around the receptacles.
- **Insurance:** The Tenant shall obtain insurance equal to the City prevailing liability limit throughout the lease term.

City-owned parking lots in the Cedar-Riverside neighborhood

