



## Request for City Council Committee Action From the Department of Finance and Property Services

**Date:** December 1, 2014

**To:** Honorable John Quincy, Chair Ways & Means Committee

**Subject:** Lease Extension with Minnesota Department of Transportation (MNDOT) for City Use of Land under Highway 394 Bridges

**Recommendation:**

That the proper City officers be authorized to execute Amendment No. 2 to City Contract #21606 extending MNDOT's lease to the City for five years at \$19,200 per year to be paid from the Parking Fund 7500-6850800.

**Previous Directives:**

- 12/18/09 - Council approved Lease Amendment No. 1 for a 5 year extension
- 3/1/05 - Council approved a five year lease

**Prepared by:** Rebecca Law, Project Manager, Property Services, 673-5064

**Approved by:**

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Kevin Carpenter, Chief Financial Officer, Finance and Property Services Dept.

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Spencer Cronk, City Coordinator

**Presenters:** Rebecca Law, Project Manager

**Reviews**

Permanent Review Committee (PRC):	Approval _NA
Civil Rights Approval	Approval _NA
Policy Review Group (PRG):	Approval _NA

**Financial Impact**

Action is within the Business Plan and budget

## **Community Impact**

City Goals: A City that works: City government runs well and connects to the community it serves

## **Background/Supporting Information**

In 2005, the City entered into a lease to occupy MNDOT's land under the Highway 394 bridges in the vicinity of Aldrich and West Linden Avenues. The City uses the area for garbage cart storage and for vehicle overflows from the Impound Lot. The current lease will expire 12/31/2014 and both sides want to extend the lease for five years by executing Amendment No. 2 to City Agreement No. 21606. Either party can cancel the lease with a 90 day notice. The new rental rate is slightly increased to \$1,600 per month (\$19,200 per year) and the expenses will be paid from the Parking Fund 7500-6850800.

cc: Jon Wertjes, Director of Transportation and Parking Services