



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

Date: January 26, 2015

To: Honorable John Quincy, Chair Ways & Means Committee

Subject: **Amendment No. 2 to Lease with Minnesota Department of Transportation allowing rental of three bridge parking lots under I-94**

Recommendation:

The proper City officers be authorized to negotiate and execute Amendment No. 2 to City Contract #C-21506) providing for City use of three (3) Minnesota Department of Transportation parcels effective January 1, 2015 through December 31, 2019. Rent shall be equal to fifty percent (50%) of Gross Revenue less Expenses from the sale of public parking collected pursuant to the agreement. Funds received from the sale of parking on these lots will be deposited in Parking Funds 07500-685BASL-339501, 07500-685GLEN-339501, and 07500-685N4TH-339501. Funds paid to the Minnesota Department of Transportation as part of the obligation to pay 50% of net income will be paid from 07500-685BASL-513007, 07500-685GLEN-513007, and 07500-685N4TH-513007.

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:

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

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

Since 1988, Public Works has operated three parking lots located under Interstate 94. The first lot is adjacent to the Basilica, the second is by the Farmer's Market, and the third is along 4th Street North near the Salvation Army. These lots are owned by the Minnesota Department of Transportation and leased to the City for parking.

Amendment No. 2 continues the existing lease until December 31, 2019 – a five year extension. As with the prior leases, it requires that the City operate and maintain the lots and pay 50% of net revenues to the Minnesota Department of Transportation.

cc: Jon Wertjes, Director of Transportation and Parking Services