



Request for City Council Committee Action From the Department of Public Works

Date: April 22, 2003
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Barb Johnson, Chair Ways & Means Committee
Subject: **Sublease of land which lies in the vicinity Aldrich and Linden Avenues
South and I-394 to Dunwoody College of Technology**

Recommendation:

That proper City officials be authorized to negotiate and execute a sublease of approximately 37,500 square feet of land with Dunwoody College of Technology for \$1,500.00 per year plus a one time fee of \$5,500.00 for City leasing expenses. Said lease shall commence May 1, 2003; terminate on November 1, 2005; and have a one year option to renew.

Previous Directives:

None

Prepared by: Mike Sachi, Transportation and Parking Services Division, 673-2159

Approved by: Klara Fabry, Director of Public Works

By: _____
Jon Wertjes, P.E., Acting Director of Transportation and Parking Services

Presenters: Mike Sachi, Parking Ramp Engineer

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information:

The City of Minneapolis leases (Lease No. H-05808) 403,000 square feet of land from the Minnesota Department of Transportation ("MnDOT") in the vicinity of Aldrich and Linden Avenues South in Minneapolis. The land is used for storage of garbage and recycling containers and is a critical site for overflow storage of automobiles from the Impound Lot during snow emergencies.

Dunwoody is in the process of upgrading its capacity to provide staff and student parking by adding to a parking lot on the western fringes of its school. The Dunwoody plan is complex and involves several actors who contribute to the expansion in a scheme of land purchases, vacations, turnbacks and turnovers.

Transportation's role in the Dunwoody plan involves 37,500 of the 403,000 square feet of land the City leases from MnDOT. Dunwoody wants the land as a part of their parking lot expansion and has begun the administrative process of getting MnDOT to turnback the 37,500 feet to them. In the meantime, to allow Dunwoody the opportunity to begin work on their parking lot, they have asked that the City sublet the square footage to them.

Dunwoody has made a favorable offer to the City for the sublease. They will pay their share of rental costs from MnDOT, they will pay a one time fee for processing the lease, and they will defend and indemnify the City for anything occurring on the sublease site. More importantly, they have promised to offer use of the subleased land to the City if the Impound Lot needs it for overflow storage during snow emergencies.

Transportation recommends that it be allowed to sublease 37,500 square feet to Dunwoody. The promise to pay full rent for the land while allowing the City to continue using it for overflow storage from the Impound Lot is a good offer which benefits both parties.

Funds received will be deposited in the Impound Lot.

This proposal has been reviewed and approved by the Facilities and Space Asset Management Committee (March 12, 2003).

- Attachment -
1. portrait of Dunwoody parking lot after expansion
 2. cross hatch showing sublease of area to go to Dunwoody

C: Scott Wellan

/tpwdunwoody ver. 4/13/03