

COUNCIL ACTION FORM

SUBJECT: PARKING LEASE FOR WELCH LOT T

BACKGROUND:

On May 10, 2016, City Council approved a one-year extension to the lease of the lot located at 209 (known as the Welch Avenue Campustown Lot T) which is owned by Tom Northrop (Pizza Pit). Welch Lot T contains 29 spaces including ten rented and 19 metered spaces. The City receives revenue from this lot through 1) the leasing of the rental spaces and 2) from the coin revenue from the meters. **The current lease will expire at the end of May 2017.**

It previously directed by City Council that the City approve one-year extensions keeping all terms and fees the same until such time that there is a clear direction as to what changes are needed to the overall parking system in Campustown, which the study is currently underway. Therefore, the annual lease would be \$15,142.05, and for 44.9% of the annual property taxes, with financing from the City's Parking Fund through May 2018. A brief history of previous leases terms are below:

Lease Period	Payment to Owner	Property Tax, City Share	Revenue to City	Net Loss¹
1992-2002	\$126,000	44.9% (\$42,471)	\$61,949	(\$106,522)
2002-2012	\$144,900	44.9% (\$105,081)	\$83,541	(\$166,440)
2012-2015	\$45,426	44.9% (\$31,637)	\$28,661	(\$48,402)
2015-2016	\$15,142	44.9% (\$8,815)	\$10,407	(\$13,550)
2016-2017	\$15,142	44.9% (\$8,302)	\$10,674 ²	(\$12,770) ²
Total Net Loss				(\$347,684)

1. Net Loss amounts do not account for annual minor maintenance expenses.
 2. Estimated for 16/17 as it's not entirely through the lease period.

Campustown Action Association (CAA) has heretofore supported keeping the lease for Welch Lot T because it is used annually for several special events sponsored by CAA. It is also one of the few public parking areas in Campustown.

ALTERNATIVES:

1. Approve a 1-year lease extension for the Welch Parking Lot T at the rate of \$15,142.05 per year, and for 44.9% of the annual property taxes, with financing from the City's Parking Fund. The lease would expire in May 2018.
2. Do not approve a lease extension.

MANAGER'S RECOMMENDED ACTION:

The leasing of Lot T has led to the public being accustomed to the availability of these spaces. The lot has also been used for several special events during the year. Staff is

currently working at City Council's direction on several parking issues related to Campustown and Downtown areas. Because the parking study is still on-going, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.



Campustown City Owned Parking



Scale:
Date Saved: 5/17/2012

