

Staff Summary Report



Council Meeting Date: 03/20/08

Agenda Item Number: 38

SUBJECT: Authorization for the Mayor to execute a lease between the City and BREOF BNK2, LLC, for employee parking within the "P-2" garage at Centerpoint.

DOCUMENT NAME: 20080320cdnc01 **CENTRAL BUSINESS DISTRICT (0403-05)**

SUPPORTING DOCS: None

COMMENTS: Total lease payments not to exceed \$300,000 over a two year period.

PREPARED BY: Neil Calfee, Deputy Community Development Manager (350-2912)

REVIEWED BY: Carlos Deleon, Deputy Public Works Director (350-8527)

LEGAL REVIEW BY: Andrew Ching, City Attorney (350-8575)

FISCAL NOTE: Funding will come from the Transit Fund and the CIP for the East City Hall Parking Garage

RECOMMENDATION: Authorize the Mayor to execute the lease as presented.

ADDITIONAL INFO: For the past two years, the City has been leasing 150 spaces in the Chase P-2 garage (north of University, west of Ash) for employee parking. This parking was needed due to the displacement of employee parking by the construction of the Transit Center and the planned development at 5th and Farmer. Employee parking has now been displaced due to the construction of the parking garage east of city hall, necessitating additional parking be secured. If approved, this recommended lease would provide a temporary solution, no longer than two years, until other employee parking lots are completed and employees are transitioned to those facilities.

PARKING SPACE PERMIT AGREEMENT

This agreement entered into this ___ day of ____, 2008, by and between BREOF BNK2, LLC ("Grantor"), and City of Tempe ("Grantee").

In consideration of the covenants and agreements herein contained, the parties hereto agree as follows:

1. Grantor hereby grants to Grantee and Grantee hereby accepts from Grantor upon the covenants and conditions set forth, to use 250 automobile parking spaces, per Exhibit A, designated by Grantor on the upper floors ("Parking Area") of the parking garage located at 720 S. Ash Avenue ("Garage"), on a month to month basis. Grantee will be provided with an equal number of key cards and/or bumper stickers to access the Garage. Drivers utilizing these key cards shall park in the designated areas on the upper floors of the Garage and shall display the bumper sticker, if required. Failure to park in the designated area will result in fines and/or towing at the owner's expense and/or termination of the particular vehicle's ability to park in the Garage.
2. Grantee agrees to and shall pay to Grantor as the fee for the use and occupancy of the parking spaces in the Parking Area, the monthly sum of \$12,500.00 (\$50 per space) payable in advance on the first day of each month until this Agreement is terminated. Any fee not paid when due shall bear interest at the rate of 12% per annum until paid.
3. The fee shall be subject to adjustment by the Grantor at any time upon thirty (30) days notice to Grantee. Such new fee shall be effective the first day of the subsequent month following the thirty (30) day notice.
4. Grantee agrees to the fee to Grantor at BREOF BNK2, LLC, Tempe G, Bldg ID: 000824 Tempe G, P.O. Box 6103, Hicksville, NY 11802-6103 or elsewhere as Grantor in writing directs.
5. Grantee agrees, to the extent not expressly prohibited by law, that the Grantor, its officers, agents and employees shall not be liable for any damage or loss either to person or property sustained by the Grantee or by other persons as a result of the Parking Area or the Garage becoming out of repair or any accident in or about the Parking Area.
6. Grantee shall be responsible for all damages to the Parking Area caused by Grantee or Grantee's employees, agents, invitees, permittees or customers.

7. If the Parking Area or Garage is made substantially inoperable by fire or other casualty, Grantor or Grantee may cancel this agreement as of the date of such fire or casualty by giving ten (10) days written notice to the other party.
8. The rights of the Grantee under this agreement are assignable.
9. Grantee agrees to comply with the rules and regulations of the Parking Area and Garage as established from time to time by Grantor.
10. Notices shall be in writing, shall be effective when received, and shall be addressed to Grantor at:

Michael Chadwick, Real Estate Manager
CB Richard Ellis, Asset Services
150 W. University Drive., Mail Code AZ1-5901
Tempe, AZ 85281

And Grantee at

City Manager
City of Tempe
P.O. Box 5002
Tempe, AZ 85281

With a copy to

City Attorney
City of Tempe
P.O. Box 5002
Tempe, AZ 85281

Downtown Tempe Community, Inc.
310 S. Mill Avenue, Suite A-201
Tempe, AZ 85281

11. Either party may elect to terminate this Agreement with or without cause by giving thirty (30) days prior written notice to the other party.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and date first above written.

BREOF BNK2, LLC

By _____

CB Richard Ellis, Inc. as agent for BREOF BNK2, LLC
City of Tempe

By _____

City Manager

APPROVED AS TO FORM:

By _____

Tempe City Attorney

Date _____