



Legislation Text

File #: 64367, **Version:** 1

Fiscal Note

The proposed resolution executes an addendum to a lease with Hovde Building, LLC for parking stalls at the Overture Center garage. The company currently leases a minimum of 40 and a maximum of 90 parking stalls. These stalls are leased at 105% of the effective residential rate (currently \$150/month).

Hovde Building, LLC's needs for parking have declined due to COVID-19, and the proposed resolution would waive the 40 parking stall minimum. This waiver will be effective for the period November 1, 2020 to October 31, 2021. Hovde Building, LLC's monthly parking fees would continue to be charged based on the contract terms. Waiving the current 40 parking stall minimum would eliminate guaranteed revenues of \$6,300 per month or \$75,600 for the 12 month period. The waiver will create Parking revenue losses to the extent that the company leases fewer than 40 stalls.

Title

Authorizing the Mayor and City Clerk to execute an addendum to the August 1, 2013 parking lease agreement with Hovde Building, LLC, for 40- 90 parking stalls at the Overture Center parking garage.

Body

WHEREAS, the City of Madison Parking Division has a long-term parking lease agreement with Hovde Building, LLC, for parking spaces at the Overture Center parking garage that was executed August 1, 2013 for an initial five (5) year term with a renewal option for an additional five (5) year term, with the agreement and all renewal options expiring on July 31, 2023; and

WHEREAS, the long-term lease agreement includes a minimum of 40 spaces with a maximum of 90 spaces allowed under the agreement; and

WHEREAS, the COVID-19 pandemic has had significant impacts on parking use and demand in the downtown area with many employees working from home; and

WHEREAS, these impacts have significantly reduced parking need from Hovde Building, LLC's employees, tenants, and customers, with demand significantly below the 40 space minimum's required in the 2013 agreement; and

WHEREAS, as a result of the impacts from COVID-19, Hovde Building, LLC has requested a temporary waiver on the parking permit minimums for the period of November 1, 2020 through October 31st 2021, to be applied retroactively upon approval of the proposed addendum;

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Clerk are authorized to execute an addendum to the August 1, 2013 lease with Hovde Building, LLC, for 40 - 90 parking stalls at Overture Center Garage to temporarily reduce the minimum permit requirement from 40 spaces to 0 spaces for the period of November 1, 2020 - October 31, 2021.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are hereby authorized to execute any and all documents that may be required to complete this lease transaction in a form approved by the City Attorney.