

City of Las Cruces®

PEOPLE HELPING PEOPLE

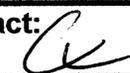
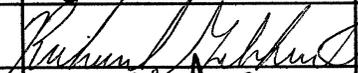
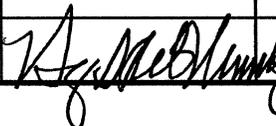
Council Action and Executive Summary

Item # 12 Ordinance/Resolution# 11-043 Council District: 1

For Meeting of August 16, 2010
(Adoption Date)

TITLE: A RESOLUTION APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND MICHAEL VENTO FOR THE EXCLUSIVE USE OF SPACE IN THE CITY PARKING AREA LOCATED AT CITY HALL, 700 NORTH MAIN STREET IN DOWNTOWN LAS CRUCES.

PURPOSE(S) OF ACTION: Lease a portion of the City Hall parking lot for business use.

Drafter and Staff Contact: Christine Logan 		Department: Community Dev.		Phone: 541-2286	
Department	Signature	Phone	Department	Signature	Phone
Department Director		541-3306	Budget		541-2107
Other			Assistant City Manager		541-2271
Legal		541-2128	City Manager		541-2076

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS: As the City's Downtown Revitalization efforts continue, there is increased pedestrian and drive-thru traffic in the area. Several mobile food vendors have established locations in the area to meet the demand for daytime food service.

Michael Vento operates "A Little Italian" as a mobile food vendor. Any mobile food vendor operating within the City must have property owner permission to operate from a location other than the public right-of-way. Mr. Vento has requested to lease space in the parking lot in front of City Hall so that he can operate from this area and so that he can establish himself in the same spot everyday. The City has entered into similar leases for use of parking areas in the past. Jesse's KCBBQ and Happy Dog operate from the parking areas around the Main Street Downtown. Desert Dog already operates in the City Hall parking area and several other businesses have requested space at City Hall. The attached lease agreement is based on the past leases.

The lease allows Michael Vento exclusive use of one parking space. Mr Vento must keep the property clean, abide by all zoning regulations and other City Codes, and must restore the property to its current condition when the lease expires or is terminated. Vento would indemnify the City against any liability that may occur as a result of the business being on the property.

Appraisals of City parking lots in the downtown area have estimated the value to be approximately \$5 per square foot as a sale price. The value of a food vendor lease comes in part from the land occupied (each parking space occupies roughly 200 square feet) and more significantly from the customer base that can be accessed from the lease site. The lease rate of \$100 per month is based on the value received by the business entering into the lease. In June of this year, the recommendation to increase lease rates to this market rate effective FY2011 was included in Council action. Local media distributed that information.

Lease income would be deposited into the downtown fund established for land revenue earmarked for downtown improvements (fund 2715). Revenue from land lease was originally budgeted as \$1,800 for the year based on existing leases, but when leases at the new City Hall are included, the revenue should be closer to \$5,000 for FY2011.

SUPPORT INFORMATION:

1. Resolution
2. Lease Agreement as Exhibit "A"
3. Vicinity map

SOURCE OF FUNDING:

Is this action already budgeted?	Revenue	
	Yes	<input checked="" type="checkbox"/> See fund summary below
	No	<input type="checkbox"/> If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/> Expense reallocated from: _____ <input type="checkbox"/> Proposed funding is from a new revenue source (i.e. grant; see details below) <input type="checkbox"/> Proposed funding is from fund balance in the _____ Fund.
Does this action create any revenue?	Yes	<input checked="" type="checkbox"/> Funds will be deposited into this fund: <u>Downtown Revitalization (local funds)</u> 27180010-591010
	No	<input type="checkbox"/> There is no new revenue generated by this action.

FUND SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
NA	NA	NA	NA	NA	NA

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the lease of space in the City Hall parking lot to Michael Vento operating "A Little Italian".
2. Vote "No"; this will reject the lease. Mr Vento may continue to operate in the City of Las Cruces but only in the public right-of-way or where he has land owner permission.
3. Vote to "Amend"; this could modify the terms of the agreement and then be adopted.
4. Vote to "Table"; this could postpone the proposal and instruct staff to seek alternative direction.

RESOLUTION NO. 11-043

A RESOLUTION APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND MICHAEL VENTO FOR THE EXCLUSIVE USE OF SPACE IN THE CITY PARKING AREA LOCATED AT CITY HALL, 700 NORTH MAIN STREET IN DOWNTOWN LAS CRUCES.

The City Council of the City of Las Cruces is informed that:

WHEREAS, the City of Las Cruces is the owner of the parking lot located at 700 North Main Street in downtown Las Cruces; and

WHEREAS, Michael Vento, of "A Little Italian", desires to utilize a portion of the parking lot to locate a mobile food vending business; and

WHEREAS, based on review by City staff, there is no conflict with this proposed use of the property; and

WHEREAS, Michael Vento will pay the City \$1,200 per year for the use of the property.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT the Lease Agreement between the City of Las Cruces and Michael Vento, to provide for lease of a portion of municipal parking lot, attached as Exhibit "A", is hereby approved.

(II)

THAT the Mayor is authorized to execute the Agreement on behalf of the City.

(III)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 2010.

(SEAL)

APPROVED:

Mayor

ATTEST:

City Clerk

VOTE:

Mayor Miyagishima: _____
Councillor Silva: _____
Councillor Connor: _____
Councillor Archuleta: _____
Councillor Small: _____
Councillor Jones: _____
Councillor Thomas: _____

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

EXHIBIT "A"
LEASE AGREEMENT

This Lease Agreement is entered into on this _____ day of August, 2010 between the City of Las Cruces, New Mexico, hereinafter referred to as "City" and Michael Vento, doing business as A Little Italian, hereinafter referred to as "Vento".

WHEREAS, the City of Las Cruces is the owner of the parking area located at 700 North Main Street in downtown Las Cruces; and

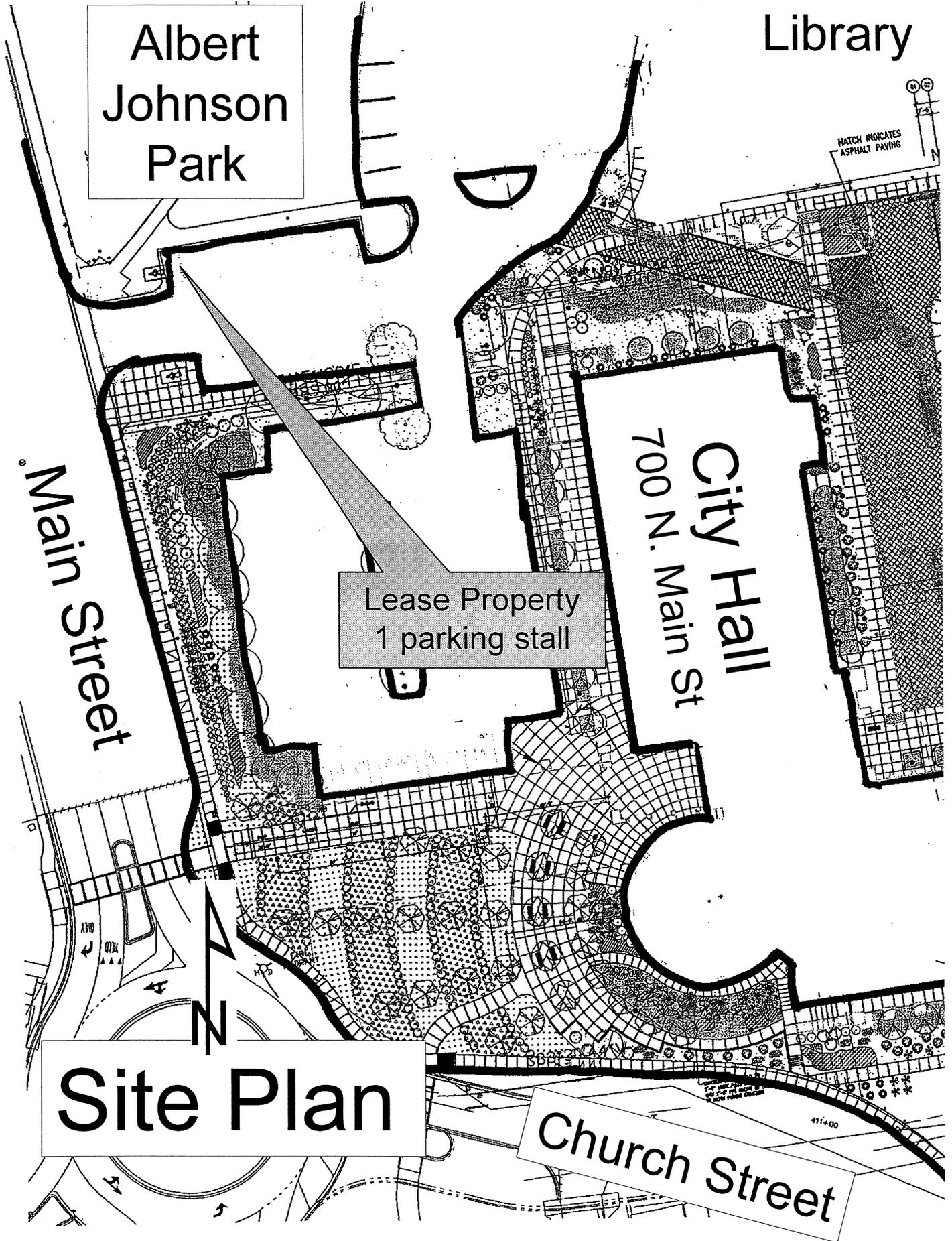
WHEREAS, Michael Vento operator of A Little Italian has approached the City of Las Cruces with a request to use this property to operate his mobile food vending business.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereby agree as follows:

1. The City shall allow Vento the exclusive use of one parking stall located at 700 North Main Street as shown on the attached Site Plan ("Property") between 5 am and 9 pm from July 1, 2010 to June 30, 2011.
2. Vento shall make application and obtain any permits and/or licenses required for use of the Property, abide by any zoning conditions that may be applicable, and maintain adequate business insurance during the term of this Agreement.
3. Vento shall make payment in the amount of \$100 per month for the term of the Agreement. Payment shall be delivered to the City of Las Cruces on or before the fifth day of each month. Payment for the initial month of the lease shall be due upon execution of this Agreement.

The use of the Property is subject to the following conditions:

1. Property shall be maintained by Vento in a satisfactory and workmanlike manner in accordance with all City codes, regulations and ordinances.
2. Vento may paint the lease area so as to mark it but may not make any permanent changes to the Property and shall not leave any items on the Property when the business is not present on the site.
3. The City reserves the right to relocate Vento to another location in the parking lot.
4. The City may sell, lease, or use other parcels in the parking lot.



Albert
Johnson
Park

Library

Main Street

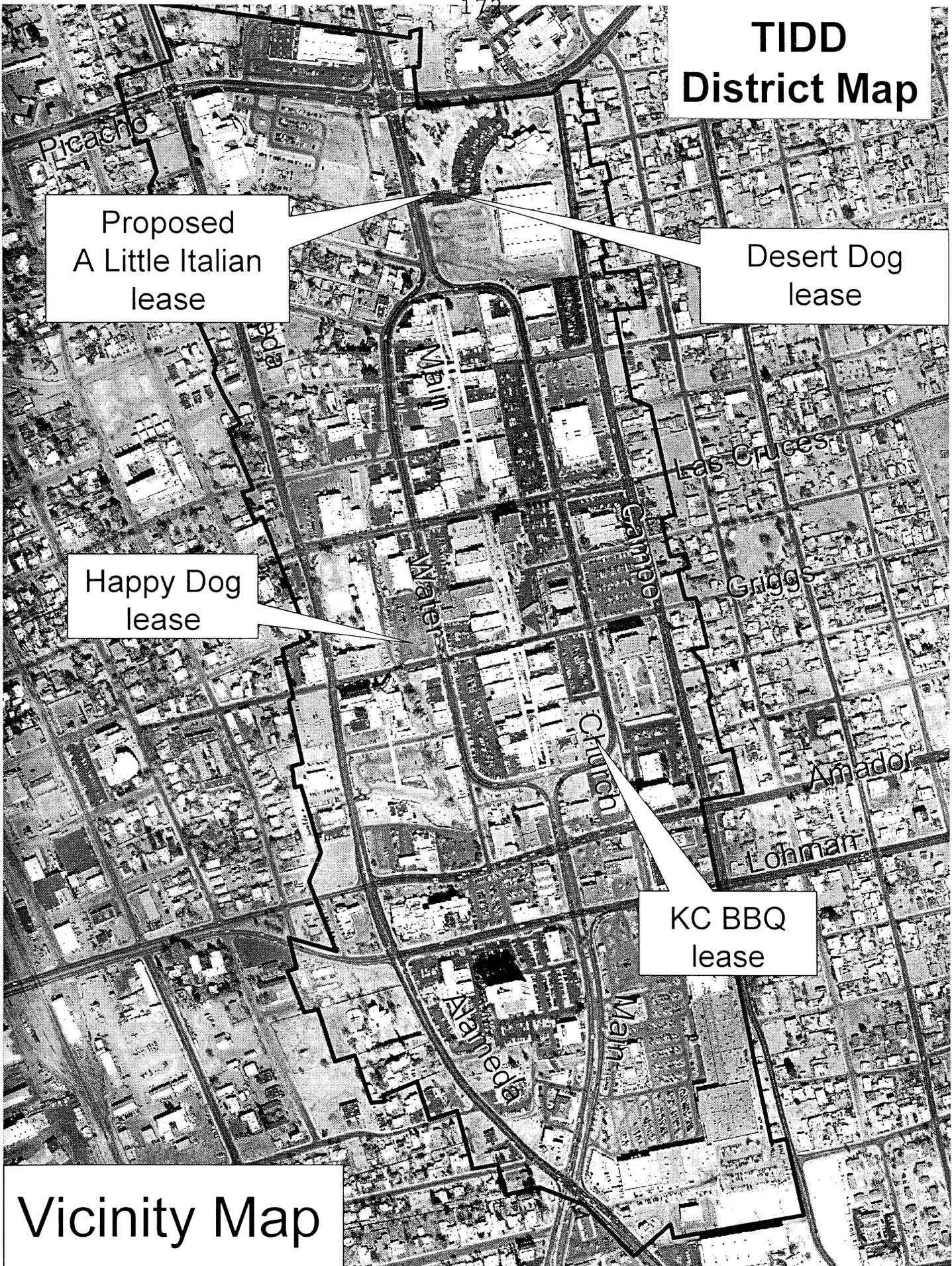
Lease Property
1 parking stall

City Hall
700 N. Main St

Site Plan

Church Street

TIDD District Map



Proposed
A Little Italian
lease

Desert Dog
lease

Happy Dog
lease

KC BBQ
lease

Vicinity Map