

COUNCIL COMMUNICATION

From: The City Manager

Subject: SMG Parking Lot Lease Agreement

Manager's Recommendation:

I recommend approval of the Parking Lot Lease Agreement ("Agreement") with SMG. The Agreement is for a period of three years. The Agreement has been approved by the City Manager as to substance and the City Attorney as to form.

Justification:

The City of Saginaw entered into a Parking Lot Lease Agreement on June 30, 2003 with SMG, the management company that operates the Dow Event Center, f/k/a the Saginaw County Event Center. The Agreement involves the use of City-owned Lots 4 and 23 during events at the Dow Event Center. SMG charges for parking and the City receive 50% of the gross revenues collected by SMG.

In addition, SMG agrees to indemnify the City for certain claims and will provide insurance. The Parking Lot Lease Agreement was renewed on October 9, 2006 and expired on September 30, 2009. The parties wish to renew it for an additional three years under the same terms and conditions, effective from October 1, 2009 through September 30, 2012.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.