



CITY COUNCIL AGENDA ITEM

To: Mayor Graham and City Council

From: Ted Shekell, Planning Director
Walter Denton, City Administrator

Date: March 17, 2005

Subject: Ordinance No. _____: An Ordinance Authorizing the Lease of Real Estate

List of Committees that have reviewed: The Community Development Committee reviewed the Lease at their March 14, 2005, meeting and voted 4-0 for approval, with modification. The change, requested by the applicant, was that in the event the City ever needed the ROW in question, the City would not consider the building non-compliant with the parking requirements approved in the planned use ordinance. That change was also recommended by the Committee.

Background: The above referenced lease applies to city-owned right-of-way in front of the Bel-Tone building located at 1415 W Hwy 50. As part of the planned use rezoning for the construction of McMillan's new strip center, a condition will be the approval of a lease with him for his use of City ROW for 10 parking spaces. Actually, there are parking spaces currently in the ROW, so this agreement will help clean up that issue.

The City ROW will be critical to McMillan in meeting his minimum parking requirements for the City. In the event the City ever needs to use this ROW for some purpose, such as widening Hwy 50, then the City may need to take those 10 spaces for that public purpose. If that happens, he will only have 11 spaces left. The lease agreement states that the City, if it needs that ROW, would then grant him a variance to the parking requirements so his business doesn't come into conflict with the City's parking requirements. Additionally, either party can terminate the lease with a 60 day notice.

Legal Considerations, if any: Involves signing of a lease of City-Owned Real Estate between the City of O'Fallon and the adjacent property owner.

Budget Impact: None.

Staff recommendation: Approval.