



Legislation Text

File #: 19-381, **Version:** 1

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SUBJECT: Approval of Lease Agreement Between the City of Merced and YARTS (Yosemite Area Regional Transportation System) for Use of the Bus Concourse and Common Areas at the Merced Transportation Center (710 W. 16th Street) with Rent Starting at \$200.00 per Month for a Term of Five Years with Annual Extensions by Mutual Agreement of the Parties

REPORT IN BRIEF

Considers a lease agreement (5-year Term with annual extensions by mutual agreement of the parties) with YARTS for use of the bus concourse and common area facilities located at the Merced Transportation Center, located at 710 W. 16th Street.

RECOMMENDATION

City Council - Adopt a motion approving the lease agreement between YARTS and the City of Merced and authorizing the City Manager or the Assistant City Manager to execute all necessary documents.

ALTERNATIVES

1. Approve as recommended; or,
2. Approve, subject to modifications as conditioned by Council; or,
3. Deny the request completely; or,
4. Refer back to staff for reconsideration of specific items as requested by Council; or,
5. Continue item to a future Council meeting (date to be specified in City Council motion).

AUTHORITY

Section 200 of the City of Merced Charter.

CITY COUNCIL PRIORITIES

City of Merced Adopted Budget Fiscal Year 2019-2020, Section 7 - Merced Visitor Services: Goal - Position Merced as a tourism destination.

DISCUSSION

Yosemite Area Regional Transportation System (YARTS) provides daily bus service from various stops in Merced and other communities to the Yosemite Valley. YARTS has been a lessee of the Merced Transportation Center since 2000.

Staff has negotiated a Lease Agreement with YARTS for use of the Bus Concourse and Common Areas at the Transportation Center, 710 W. 16th Street (Attachment 1). The Lease Agreement

includes a five (5)-year term, and may be extended annually by mutual agreement of both parties. The City rents the concourse to YARTS for \$ 200.00 per month. YARTS will continue to have access to the common area lobby, bathrooms and other general public facilities. YARTS will be responsible for a three percent (3%) pro-rata share for maintenance, garbage and utilities. Revenues are deposited into the Facilities Maintenance account 671-1119-352.03-00.

YARTS provides a valuable service to travelers and visitors, and provides exposure for the City of Merced as a tourism destination. The use of the concourse is mutually beneficial to the City and existing transportation service tenants.

Key Lease Terms: Notable terms of the Lease Agreement include:

Parties: Lessor: City of Merced
Lessee: Yosemite Area Regional Transportation System (YARTS)

Premises: The subject site is a portion of the City-owned Merced Transportation Center, located at 710 W. 16th Street, consisting of use of the concourse area. Use of the common area facilities include the lobby area, bathrooms for patrons (See Exhibits A, B & C of Attachment 1).

Term: Five (5) year lease with annual extension by agreement with both parties.

Tenant

Improvements: No tenant improvement (TI) allowance is included.

Utilities and Maintenance: YARTS will be responsible for 3 percent (3%) pro-rata share of maintenance, garbage, and utilities for the Merced Transportation Center.

IMPACT ON CITY RESOURCES

The rent revenues generated are deposited into the Facilities Maintenance account 671-1119-352.03-00.

ATTACHMENTS

1. YARTS Lease Agreement