

Agenda Report

DATE: MARCH 29, 1999

TO: CITY COUNCIL

FROM: CYNTHIA J. KURTZ, CITY MANAGER

SUBJECT: FIRST AMENDMENT TO THE AMENDED AND RESTATED AGREEMENT FOR MANAGEMENT, RENTAL, OPERATION, AND MAINTENANCE OF PARKING FACILITY:
PLAZA LAS FUENTES PROJECT

RECOMMENDATION

It is recommended that the City Council approve the First Amendment to the Amended and Restated Agreement for the Management, Rental, Operation, and Maintenance of Parking Facility ("First Amendment") for the management and operation of the Plaza Las Fuentes Parking Facility.

BACKGROUND

Concurrent with the construction of the Plaza Las Fuentes (Phase I) project at Los Robles Avenue and Walnut Street, the City of Pasadena, on behalf of the Pasadena Community Development Commission, constructed the 850-space subterranean parking facility ("Parking Facility") in support of the Plaza Las Fuentes (Phase I) project. On November 30, 1987, concurrent with the completion of the Plaza Las Fuentes project, the City of Pasadena ("City") and Maguire Partners/Pasadena Center Ltd., ("Operator") entered into the Agreement for the Management, Rental, Operation, and Maintenance of the Parking Facility ("Agreement") which designates Maguire Partners/Pasadena Center Ltd., as the Operator of the parking facility. The Operator has submitted a request for the amendment and renewal of the Agreement, as provided for in the Agreement.

Existing Parking Agreement

In summary, the duties of the Operator pursuant to the Agreement are to operate and manage the parking facility in a diligent, effective, and economic manner. The term of the Agreement is identified as ten (10) years. All gross revenues received or collected on behalf of the City are deposited into an account, established specifically for the deposit of all gross revenue derived from the operation and management of the Parking Facility.

The existing Agreement requires the Operator to provide a year-end statement of all gross revenue and operating expenses incurred during such year. The existing Agreement provides for the payment of a management fee of \$5,000 per month payable to the Operator, and all net operating income in connection with the operation and management of the Parking Facility is retained by the City of Pasadena.

Proposed Amendment

The proposed First Amendment is summarized as follows:

1. Term. Extension of ten (10) years.
2. Management Fee. The monthly management fee is increased to the amount of \$6,250 per month.
3. Quarterly Meetings. Meetings of representatives of the Public Works and Transportation Department of the City and of the Operator are to be conducted on a quarterly basis for the purposes of discussing the operation, maintenance, and repair of the Parking Facility. At least one such meeting shall be a budget review meeting. At each meeting, City shall have the opportunity to raise matters with the Operator concerning changes for the improvement of the existing quality of the operation, maintenance, and/or repair of the parking facility.
4. Repairs. At any time, City may deliver written notice to Operator requesting the completion of a specified repair to the Parking Facility. Operator is to promptly investigate the request and shall, as an Operating Expense, make or cause to be made the necessary repair. Consideration shall be given to repairs for which inadequate funds exist in the operating budget for the Parking Facility; in these events the City will be responsible for providing adequate funds for such repair. The recommended Amendment provides that if the Operator fails to make the requested repair within a thirty (30) day period, City may act independently to effect the requested requested repair, after written notice to Operator.

All other provisions of the Agreement remain in full force and effect.


FISCAL IMPACT

The proposed Amendment will provide for the continued operation and management of an important parking facility in the Civic Center/Mid-Town area. Over the last three fiscal years, the parking facility's annual net operating income has averaged approximately \$100,000; this amount is expected to continue as increased oversight of


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the budget and operating expenses is implemented and parking rates are monitored to be consistent with full market rates for the area.

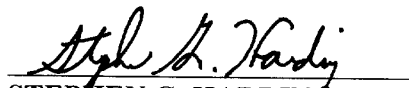
Respectfully Submitted,

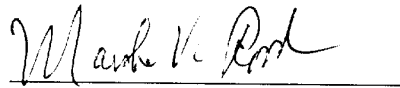

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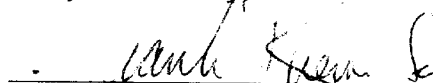

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