AGENDA ITEM 9-H
ACTION ITEM

TO: CHAIRMAN SMEDBERG AND THE VRE OPERATIONS BOARD

FROM: DOUG ALLEN

DATE: MAY 17, 2013

RE: AUTHORIZATION TO EXECUTE A LEASE AGREEMENT FOR THIRTY PARKING SPACES AT THE FREDERICKSBURG STATION

RECOMMENDATION:

The VRE Operations Board is being asked to authorize the Chief Executive Officer to execute a lease agreement with AFM, LLC, doing business as the Thomas J. Wack Company, for 30 parking spaces located at 400 Charles Street, Fredericksburg, Virginia. The lease would be in the amount of $60,140 for three years.

BACKGROUND:

In July 2011, a two year lease agreement commenced with AFM, LLC in the amount of $38,542 for 30 parking spaces in close proximity to the Fredericksburg Station. These parking spaces were instrumental in reducing the parking shortage at the station where the parking lots were routinely full. Additionally, the lease agreement with AFM, LLC served to largely offset the loss of available parking spaces at the Fredericksburg Station, which would otherwise have been realized when the property owner at 518 – 520 Princess Anne Street elected to terminate an existing lease agreement with VRE for 38 parking spaces effective July 15, 2011. Since these parking spaces are close to the station, it is expected that they will continue to be in demand even after the grand opening of the new Spotsylvania VRE station and parking.
VRE staff is requesting permission to execute a new lease for three years, at a cost not to exceed $60,140 during that period, which represents a 4 percent increase per parking space per month as compared to the current two year lease agreement. The average cost of $55.69 per space, per month is comparable to the current market value VRE is paying in Fredericksburg.

**FISCAL IMPACT:**

Funding will be provided through the FY 2014 operating budget.
TO: CHAIRMAN SMEDBERG AND THE VRE OPERATIONS BOARD
FROM: DOUG ALLEN
DATE: MAY 17, 2013
RE: AUTHORIZATION TO EXECUTE A LEASE AGREEMENT FOR THIRTY PARKING SPACES AT THE FREDERICKSBURG STATION

RESOLUTION
9H-05-2013
OF THE
VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, in July 2011, a two year lease with AFM, LLC for 30 parking spaces at the Fredericksburg VRE Station was executed; and,

WHEREAS, these additional spaces were instrumental in offsetting the loss of available parking that would otherwise have been realized when the property owner of a nearby lot terminated a 38 space parking lease with VRE; and,

WHEREAS, VRE staff is requesting permission to execute a new three year lease effective upon expiration of the existing agreement, July 2013.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to execute a lease agreement with AFM, LLC for 30 parking spaces at the VRE Fredericksburg Station. The lease agreement would be in the amount of $60,140 for a period of three years, terminating July 31, 2016.

Approved this 17th day of May 2013

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Paul Smedberg
Chairman

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John Cook
Secretary