



MEMORANDUM

A handwritten signature in black ink, appearing to read "Rajhega".

TO: Timothy J. Baroody, City Manager
FROM: Darnell Polk, Public Facilities Manager
DATE: June 15, 2021 for the June 22, 2021 Council Meeting
SUBJECT: Lease Renewal with Smith Run Center Condominium Association

ISSUE

Should the City renew the lease agreement with the Smith Run Condominium Association for the portion of unimproved Buckner Street, also known as the lot or parcel of land beginning at the southwest corner of Buckner Street and Spotsylvania Avenue?

RECOMMENDATION

Public Facilities recommends that City Council authorize the City Manager to enter into a lease renewal agreement with Smith Run Center Association to allow the Association to continue using a portion of the land for parking purposes associated with the Lessee's office condominium located adjacent to the Premises.

PUBLIC HEARING

City Council held a public hearing on June 8. There were no members of the public in attendance to speak, and no written comments were submitted.

DISCUSSION

The City of Fredericksburg, Virginia owns the unimproved Buckner Street right of way, located west of Spotsylvania Avenue, near the intersection of U.S. Route 1 and the Blue Gray Parkway. Since 1990, a small portion of this right of way, shown on the attached map, has been leased for parking purposes by the adjacent property, known as the Smith Run Center office building. The leased area provides for a total of 5 parking spaces along the northern boundary of the building's parking lot.

The City of Fredericksburg first leased said property to the current tenant, the Smith Run Center Condominium Association on November 1, 1999 for a term of five years. (Prior to that time, the area was leased to the developers of the property.) The lease was subsequently renewed, and the latest renewal term began on September 28, 2010 and ended on August 31, 2020. Since that time, the Smith Run Center Condominium Association has continued to operate in a holdover status as though the lease was still in effect. The Lessee pays the City as rent the sum of two hundred dollars (\$200.00) annually.

The new lease will run a term of five years beginning on July 1, 2021 and ending on June 30, 2026.

FISCAL IMPACT

The Lessee agrees to pay the City as rent for the premises the sum of \$200.00 per year, or a total of \$1000.00 for the full term of the lease. The Lessee agrees not to commit or allow to be committed any waste upon the premises or to create or allow any nuisance or any dangerous or defective condition or another act which may disturb the premises or the neighboring properties. The lessee agrees to make all repairs and perform all maintenance on the premises at the lessee's sole cost and expense.

Attachments: Resolution

Smith Run Association Lease Renewal Agreement

Map of Smith Run Center Condo Leased Right of Way



June 22, 2021
Regular Meeting
Resolution 21-__

MOTION:

SECOND:

RE: Authorizing the City Manager to Renew a Lease with Smith Run Center Condominium for Use as a Parking Area

ACTION: APPROVED: Ayes: 0; Nays: 0

Since 1990, the City of Fredericksburg has been a party to an agreement to lease a portion of City-owned unimproved right of way at the end of Buckner Street, to be used as additional parking for the Smith Run Center Condominium building, an adjacent property located at the corner of Olde William Street and Spotsylvania Avenue. The City last renewed this lease with Smith Run Center Condominium on September 28, 2010 for a period of 10 years. That lease expired on August 31, 2020, and the lessee has continued to use the property as a holdover tenant since that time.

The Condominium Association and the City wish to enter into a formal agreement to renew the lease for a period of 5 years.

Therefore, the Fredericksburg City Council hereby resolves to authorize the City Manager to execute, on behalf of the City of Fredericksburg, the attached lease renewal agreement with Smith Run Center Condominium.

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

Clerk's Certificate

I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 21-, adopted at a meeting of the City Council held June 22, 2021, at which a quorum was present and voted.

Tonya B. Lacey, MMC
Clerk of Council



LEASE RENEWAL AGREEMENT

This is a Lease Renewal Agreement between the CITY OF FREDERICKSBURG, VIRGINIA, a municipal corporation ("City"), and SMITH RUN CENTER CONDOMINIUM, a condominium association ("Lessee.")

RECITALS

- A. The City entered into a Lease Agreement with Robert H. Keller and Louise H. Keller on November 15, 1990, leasing them a portion of the unimproved Buckner Street right of way (as described more specifically therein) to be used for parking purposes associated with their business to be constructed on adjacent property. At that time, Dr. Robert Keller was in the process of constructing the Smith Run Center Condominium of Spotsylvania Avenue, and the use of the right of way was required in order to secure sufficient parking spaces for the offices.
- B. The City entered into a new Lease Agreement with Smith Run Center Condominium on September 28, 1999 as authorized by City Council by adoption of Ordinance 99-18 on that same date, leasing a portion of the unimproved Buckner Street right of way to the condominium association for use by the offices as additional parking spaces.
- C. The City renewed the 1999 Lease Agreement, as authorized by City Council by adoption of Ordinance 10-30, adopted September 28 2010. The lease renewal term expired August 31, 2020 and Lessee has continued as a holdover tenant since that time.
- D. The parties wish to renew the lease in accordance with the terms of this Lease Renewal Agreement.
- E. City Council held a duly advertised public hearing on the lease renewal, as required by Virginia Code §15.2-1800 and City Code §2-564, on _____, 2021.

AGREEMENT

The City and the Lessee hereby agree as follows:

1. City and Lessee agree to renew their lease of September 28, 1999, which shall remain in full force and effect except as amended in this Lease Renewal Agreement.

2. Paragraph 2, "Term," is amended as follows:

2. **TERM:** The term of this Lease Renewal shall be five years, beginning on July 1, 2021 and ending on June 30, 2026, except as otherwise provided herein.

3. Paragraph 3, "Rental," is amended as follows:

3. **RENTAL:** The Lessee agrees to pay to the City as rent for the Premises the sum of Two Hundred Dollars (\$200.00) per year, or \$1,000.00 for the full term of the Lease. Lessee shall tender payment in full (\$1,000.00) upon execution of this Lease. In the event the City terminates this Lease pursuant to Paragraph 10 below, the City shall refund to the Lessee the portion of the rent payment that would cover the unexpired portion of the Lease term.

The City and the Lessee have duly executed this Lease Renewal Agreement by affixing their signatures below.

CITY OF FREDERICKSBURG, VIRGINIA
A Municipal Corporation

By: _____
Timothy J. Baroody, City Manager

Attest:

Brenda T. Martin, Deputy Clerk

Approved as to form:



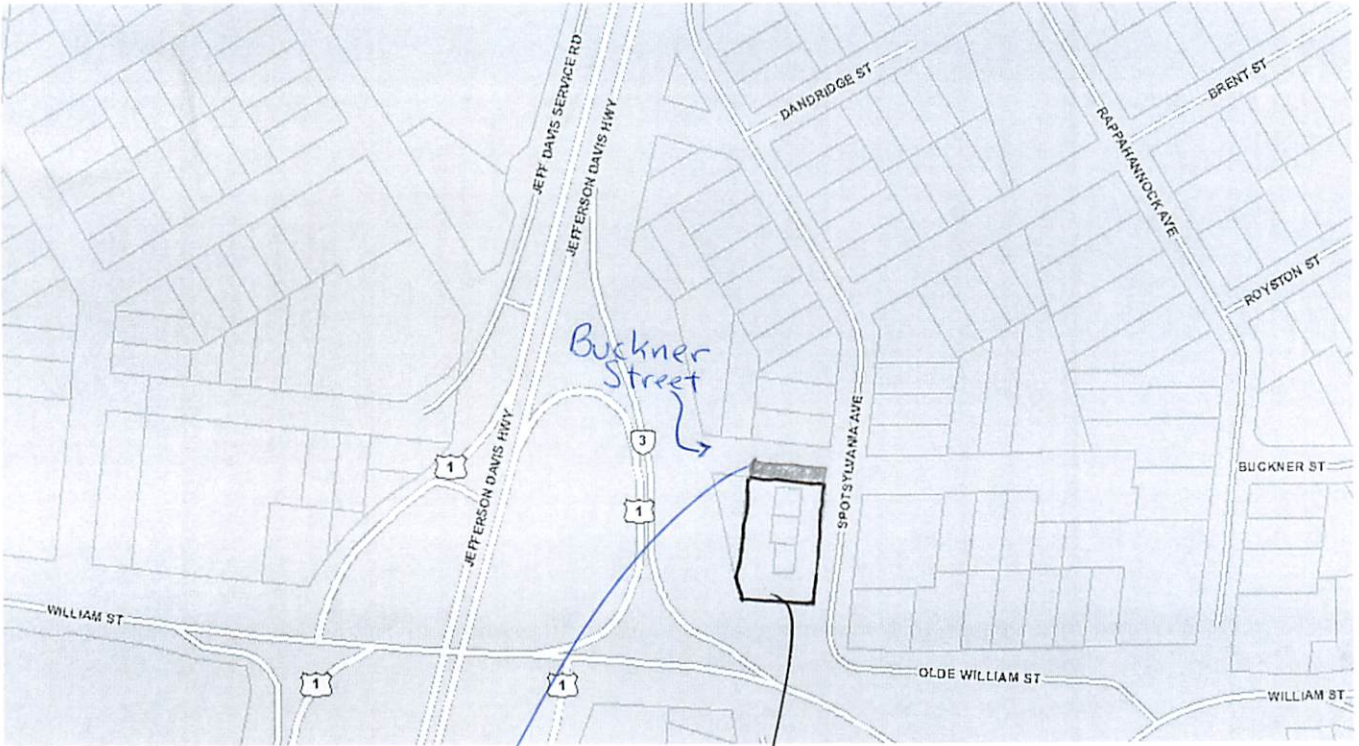
Dori E. Martin, Assistant City Attorney

SMITH RUN CENTER CONDOMINIUM
A Condominium Association

By: William A Stephens
Name: WILLIAM S STEPHENS
Title: OWNER / MEMBER

Attest:

A. C. Ward
Secretary



Buckner Street
Leased Right of Way

Smith Run Center Condominiums

file with lease