



## Legislation Text

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**File #:** 15-078, **Version:** 1

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### **RATIFY LICENSE AGREEMENT WITH OUTLETS AT WESTGATE, LLC FOR THE USE OF CITY PROPERTY FOR TANGER EMPLOYEE PARKING RELATED TO PRO BOWL AND SUPER BOWL**

Staff Contact: Jean Moreno, Program Administrator, Office of Economic Development

#### **Purpose and Recommended Action**

This is a request for City Council to ratify a License Agreement with Outlets at Westgate, LLC for the use of City Property located in the vicinity of New River Road and Glendale Avenues for replacement employee parking on the dates of Pro Bowl and Super Bowl for a fee of \$10,500.

#### **Background**

The City of Glendale owns property located to the east of the airport outside of the secure area on the north side of Glendale Avenue at New River Road as shown in Exhibit A of the attached agreement. The Outlets at Westgate, LLC, otherwise known as Tanger, has dedicated a portion of its available parking at the retail development to the National Football League (NFL) for use in accommodating the NFL's needs for the Pro Bowl and Super Bowl events taking place at the University of Phoenix Stadium. The City did not request nor cause the displacement of Tanger parking, and Tanger will be generating revenue as a result of their arrangement with the NFL.

The Tanger development has created a significant economic impact for our community and is a dedicated community stakeholder committed to ensuring the best possible guest experience during these national events. Tanger sought the City's assistance in identifying off-site parking for employees on game days as a result of their arrangement with the NFL. Staff recommended the aforementioned property which was found to be suitable to Tanger. This property was previously used in the past for parking associated with a national event (2007 Fiesta Bowl Spectator Parking), so parking has been a previously-approved use.

Due to the cost to run a shuttle from this area, this property was not being utilized by the City for any parking or other purposes for the national events. In determining the fair market value for parking, staff examined the city's parking purchases, and as recent as June 2014, the City purchased improved parking for approximately \$10 per space in Westgate. Although the licensed property is approximately one mile from the Tanger development and the parking is unimproved, due to the parking demand \$10 per space was found to be a reasonable market value. Tanger needed 500 spaces per game which resulted in the License Fee of \$5,000 per event day.

The timing of negotiating contract terms and developing a License Agreement did not allow for this item to be placed on a City Council agenda in advance of the required activation date of January 19, 2015 which is the date Tanger needed access to the property to begin placement of light towers. The City Manager has administrative authority to execute License Agreements of this nature and due to the urgent timing that was

beyond the City's control, this License Agreement was executed in accordance with that authority.

### **Analysis**

The License Agreement gives Tanger authorization to use the property only for providing parking for employees of the Tanger Outlets retail development on Pro Bowl and Super Bowl dates. Tanger will be responsible for managing the parking and circulation of vehicles inside the License Area, placing supplemental light towers and directional signage, operating a shuttle from the License Area to the retail development, and for cleaning the lot after their operations.

In exchange for this use, Tanger has paid a total License Fee of \$10,000 (\$5,000 per event day) in addition to \$500 for the placement of one directional sign that was prepared and placed by the City of Glendale.

### **Budget and Financial Impacts**

No expenditure was required by the City to enter into this agreement. The net effect is \$10,500 in fee revenue to be deposited into the Airport Fund.