

## **Armory Hotel Committee 08-15-2012 White Paper:**

With the direction from the Bozeman Parking Commission on August 8, 2012, The Armory Hotel Committee (AHC) communicated extensively in person, via phone and email, to come up with terms for the hybrid solution that works for the greatest number of people. The committee again has considered and tried to incorporate the discussions, suggestions, recommendations and ideas that came out of the BPC meetings, the committee meetings and in other forums. This is the recommendation that the AHC would propose the Bozeman Parking Commission discuss, hear comment on, and vote to recommend to the Bozeman City Commission:

1. Grant exclusive private use of the six (6) on street parking spaces currently in front of the Armory Building to the hotel owner. As compensation for the loss of public use, the hotel owner must pay the standard fee for cash-in-lieu-spaces of \$5,000.00 per space for a total of \$30,000.
2. Lease the hotel owner a minimum of 64 spaces in the basement of the Bridger Park Garage at a thirty percent (30%) discount off the standard rate, provided these spaces are purchased in bulk and on an annual basis. Current rate is \$50 per space per month but would be discounted to \$35.00 per space per month payable on an annual contract basis. Additional spaces may be leased on a pro-rated annual basis.
3. Provide thirty (30) "Hotel Staging Permits" (HSP) to the Armory Hotel with the following conditions and restrictions.
  - a. HSP are only valid in the North Willson public parking lot;
  - b. Vehicles parked in the North Willson lot shall display the HSP in the windshield area;
  - c. Vehicles displaying the HSP in the North Willson lot shall be allowed to stage for up to ten (10) hours;
  - d. The combined number of vehicles displaying HSP's and parked in the Bridger Park Garage shall not exceed the total spaces leased by the Armory Hotel.
  - e. Hotel vehicles are allowed to stage in all other surface lots and on-street spaces for up to two hours, subject to current city regulations.

The Hotel Staging Permit allows for short term parking of Armory Hotel guest vehicles. The purpose of the HSP is to allow for flexibility in the Armory's valet parking system. Armory Hotel vehicles should be parked in the Bridger Park Garage as soon as operationally possible beyond the restrictions of the HSP.

4. The terms of this agreement will be finalized as part of the formal lease agreement. The total term of the lease will be a minimum of 25 years and perhaps as long as 50 years as previously discussed and agreed upon by all parties. Any formal lease, MOU, or agreement will also include provisions for periodic modifications both in terms of conditions and financial terms. The first review and potential modification will take place one year after the effective date of the initial lease and agreement.

Therefore, the committee recommends the BPC ratify the lease and cash-in-lieu terms outlined above as an initial offer to Kelryco, Inc. as a means to meet their potential UDC parking requirements and operational needs. Let it be acknowledged that a final parking space lease and cash-in-lieu agreement will need City Commission approval.

Respectfully submitted by the Armory Hotel Committee Members:

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