THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: February 28, 2023

Subject: Temporary full closure of the Biltmore Avenue Parking Garage for construction activity

Staff Resource(s): Ken Putnam, PE, Transportation Department Director

Action Requested: Adoption of a resolution authorizing the City Manager to enter into and execute a license agreement amendment between the City of Asheville and MHG Asheville MX, LP to temporarily close the Biltmore Avenue Parking Garage in order to pour a new slab at the top of the parking structure that will replace the existing slab that is being demolished and removed.

Background:

- The Moxy Hotel, a 115 unit, 7-story building, is currently being constructed on the south side of the Biltmore Avenue Parking Garage by MHG Asheville MX, LP.
- To accommodate hotel construction, demolition and removal of an existing slab at the top of the Biltmore Parking Garage was required.
- A license agreement was executed at the staff level in January 2023 for the demolition and removal of the existing slab for a 45 day period beginning on January 16, 2023 and ending on March 3, 2023.
- The “demolition phase” was completed on February 8, 2023 and impacted parking levels were reopened (22 days ahead of schedule).
- The “pouring phase” to pour back the demolished slab is scheduled to begin on March 25, 2023 and end on April 8, 2023 for a total time period of 15 days.
- The entire parking garage must be closed during the “pouring phase” which impacts a total of 412 parking spaces (150 spaces for the Aloft Hotel, 110 spaces for the City’s monthly parking accounts, and 152 spaces for public hourly parking).
- As part of the license agreement, MHG Asheville MX, LP will pay the City a fee for lost revenue. The methodology for the license agreement fee is described below:
    - **Rate Per Parking Space:**
        - The Biltmore Parking Garage has a daily rate per parking space of $7.73 based on the hourly revenues that are being generated (the daily rate per parking space is equivalent to a $235 monthly rate per parking space).
        - The daily rate per parking space of $7.73 will be applied to 262 parking spaces (412 spaces minus 150 spaces) and the anticipated fee for 15 days is $30,378.90 ($7.73 x 262 spaces x 15 days).
    - **Aloft Hotel Monthly Parking Fee:**
        - The Aloft Hotel will continue to pay its current monthly fee of $11,055 for 115 parking spaces and $5,390 for 35 parking spaces as stipulated by the existing Parking Facilities Agreement entered into between the City and the Aloft Hotel on February 17, 2011 as amended.
    - **Office Space:**
        - Since the Parking Services Division will not have access to their office space and storage space, the anticipated fee for that loss of access is $608.70 ($40.58 daily rate x 15 days).
        - Transportation Department staff calculated a daily rate of $40.58 based on a $1.10 monthly per square foot rate and a total of 1,122 square feet of office and storage space (the $1.10 monthly per square foot rate is the agreed upon rate as stipulated by the existing Parking Facilities Agreement entered into between the City and the Aloft Hotel on February 17, 2011 as amended).

15 Day Fee Summary Table

Description	Unit	Cost
Aloft Hotel Parking Spaces	150 spaces	$8,109.90
Public Parking Spaces	262 spaces	$30,378.90
Loss of Office & Storage Space (1,122 square feet)	1,122 square feet	$608.70
	Total Fee =	**$39,097.50**

- If the term of the license agreement is extended beyond the 15-day time period, the City reserves the right to increase the rates by 10%.
- Access cards for the City's monthly parking accounts in the Biltmore Avenue Parking Garage will be reprogrammed to allow access in the Harrah's Cherokee Center, Rankin Avenue, and Wall Street parking garages during the 15-day closure time period.
- The City's surface parking lot located at 50 Asheland Avenue (adjacent to the Transit Center) will also be available to the City's monthly parking accounts in the Biltmore Avenue Parking Garage.
- Additionally, Biltmore Avenue Parking Garage monthly parking accounts will receive a 50% credit to their accounts on March 1, 2023, pending City Council approval.
- Once the subject action is approved by City Council, the City's monthly parking accounts will be notified of these accommodations through the Biltmore Avenue Parking Garage email listserv and the new opt-in texting feature.
- A press release will be issued on March 1, 2023 regarding the temporary full closure of the Biltmore Avenue Parking Garage including information about other parking options and the Parking Services Division staff will follow up with the adjacent businesses via flyers to be sure they are aware of the closure.
- Security must be provided by MHG Asheville MX, LP in the Biltmore Avenue Parking Garage during the nighttime hours and anytime when construction activities have stopped for the day.

Council Goal(s):
- Transportation and Accessibility

Committee(s):
- None

Pro(s):
- Enables the contractor to complete the "pouring phase" in a safe and timely manner.
- Minimizes long term structural damage to the Biltmore Avenue Parking Garage.

Con(s):
- Temporary loss of 262 public parking spaces.
- Temporary loss of 1,122 square feet of Parking Services' office and storage space.

Fiscal Impact:
- Based on revenues generated by public spaces in the current fiscal year, this agreement would generate an additional $2,357.77 in the Parking Services Fund as shown in the table below.

Fee Comparison Table

Description	Lease Agreement Revenue	Typical Projected Revenue
Aloft Hotel Parking Spaces	$ 8,109.90	$ 8,109.90
Public Parking Spaces	$ 30,378.90	$ 28,629.83
Loss of Office & Storage Space	$ 608.70	$ 0.00
Totals =	**$ 39,097.50**	**$ 36,739.73**

Suggested Motion:

- Motion to adopt a resolution authorizing the City Manager to enter into and execute a license agreement between amendment the City of Asheville and MHG Asheville MX, LP to temporarily close the Biltmore Avenue Parking Garage in order to pour a new slab at the top of the parking structure that will replace the existing slab that is being demolished and removed.

Attachment(s):

- Resolution

RESOLUTION NO. 23-_____

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A LICENSE AGREEMENT AMENDMENT BETWEEN THE CITY OF ASHEVILLE AND MHG ASHEVILLE MX, LP TO TEMPORARILY CLOSE THE BILTMORE AVENUE PARKING GARAGE IN ORDER TO POUR A NEW SLAB AT THE TOP OF THE PARKING STRUCTURE THAT WILL REPLACE AN EXISTING SLAB THAT IS BEING DEMOLISHED AND REMOVED

WHEREAS, MHG Asheville MX, LP is constructing a new 115 unit, 7-story hotel known as the Moxy Hotel on the south side of the Biltmore Avenue Parking Garage; and

WHEREAS, it is necessary to fully close the Biltmore Avenue Parking Garage for 15 days in order to pour a new slab at the top of the parking structure; and

WHEREAS, the temporary full closure will enable the contractor to complete the “pouring phase” in a safe and timely manner; and

WHEREAS, MHG Asheville MX, LP will pay a fee to offset the loss of revenue during the 15 day full closure; and

WHEREAS, City staff will work closely with adjacent businesses to minimize the negative impacts to the temporary loss of parking; and

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The City Manager is authorized to enter into and execute a license agreement amendment between the City of Asheville and MHG Asheville MX, LP to temporarily close the Biltmore Avenue Parking Garage in order to pour a new slab at the top of the parking structure that will replace the existing slab that is being demolished and removed.

Read, approved and adopted this 28th day of February, 2023

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City Clerk Mayor

Approved as to form:

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City Attorney