

# REQUEST FOR ACTION

**Department Head**

Phil Kern, City Administrator

**City Council Date**

May 18, 2010

**Agenda Item**

Consider Lease Agreement with Delano American Legion.

**ACTION REQUESTED**

Staff recommends approval of a lease agreement with the Delano American Legion.

**BACKGROUND**

In 2009, the City proceed with the reconstruction of Bridge Avenue and aesthetic improvements to the boulevard areas. The improvements also included the closure of the Delano American Legion's western-most access point on Bridge Avenue. Additionally, the Legion transferred easement rights to an area at the corner of Highway 12 and Bridge Avenue for construction of the entry monuments and landscaping.

At the time, the City agreed to swap with the Legion the vacant lot adjacent to the Legion's property for parking and other Legion-related activities. This property was acquired by the City as part of a flood hazard mitigation grant from the State of Minnesota. The State is requiring that the City not sell or donate the property to the Legion, but instead work out a lease arrangement.

The City Attorney has prepared the attached lease agreement, granting the Legion rights to use this property for up to 99 years. The Legion would be prohibited from constructing any permanent buildings or structures, with an exception of monuments, memorials, or alike. The lease agreement runs with the Legion's ownership of its land – in the event the Legion would sell its property, the lease agreement would not transfer to new owners.

Staff recommends approval.

**FUNDING**

None

**ATTACHMENTS**

- Draft Lease Agreement