



Memo

To: Mayor and Council

From: Jim Chandler, Assistant CA, Director, Community & Economic Development

CC: Tracey Nicholson, City Administrator
Ron Brooks, City Treasurer
Lesley Riddle, Director, Public Works

Date: September 15, 2020

Re: USPS Parking Lot Lease Renewal

The purpose of this memorandum is to advise the Mayor and City Council with respect to the lease of United States Postal Service property located at 4325 Gallatin Street, Hyattsville.

Summary

The City's lease of the United States Postal Service (USPS) parking lot located at 4325 Gallatin Street, Hyattsville is scheduled to expire in October 2020. The current lease provides the City with the exclusive rights to thirty (30) parking spaces at a rate of \$818.00 per month (\$9,816 annually).

With a variety of flourishing commercial businesses in the Route One Corridor, the City has experienced a significant increase in demand for public parking within the corridor. During the current lease term, the City required updated language to permit the City to utilize the Parking Lot #3 for both City vehicles and as a paid public lot. During the past five years, the City has converted the lot to support public use, including the updating of kiosks and pay stations.

The USPS has offered the City a new five (5) year term lease at \$1,029/monthly (\$12,348 annually). Staff reviewed the USPS offer and responded with a request more in line financially with the rate of our existing lease.

The USPS responded to the City with a lease rate of \$843/month (\$10,008 annually) with a 3% annual increase. The City Administrator, Treasurer and CED Director reviewed and concurred that the City can support the negotiated term rate.

Recommendation

Staff is recommending the City Council's authorization to proceed with the execution of a lease with the USPS for use of the United States Postal Service (USPS) parking lot located at 4325 Gallatin Street, Hyattsville to expire in October 2025 at a rate of \$843/month with a 3% annual increase.