Councilor Shannon

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ALLOCATION METHOD AND STANDARDS FOR

COMMON AREA FEES OF THE CHURCH STREET

MARKETPLACE FOR FISCAL YEAR 2013

# In the year Two Thousand Twelve………………………………………………………………

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, Sec. 326 of the City Charter provides that common area fees may be levied on taxable properties located within the Church Street Marketplace District to defray the expenses of the Commission in connection with the operation, maintenance and repair of the Marketplace; and

WHEREAS, Sec. 326(b) of the City Charter provides that the City Council, after public hearing and after considering the advice of the Marketplace Commission, shall establish standards to aid in the determination of individual common area fees; and

WHEREAS, on March 16, 1992 the City Council resolved that the common area fees for the Church Street Marketplace shall be allocated on the basis of total ground floor square footage of buildings within the Marketplace District and that this method of allocation shall be fixed in order to provide predictability, stability and foster long term planning and investment by property owners in the Marketplace District; and

WHEREAS, the Marketplace Commission, after its own public hearing on May 16, 2012, proposed a 3.25 % increase for Marketplace properties excluding 37-43 Church St. (Pomerleau Real Estate) and 47-55 Church St. (Burlington Town Center) – from $2.60 per square foot to $2.68 per square foot or $520,266; and

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WHEREAS, in 2004 the Church Street Marketplace Commission and the City Council approved the following common area fee strategy, that effects 37-43 Church St. (owned by Pomerleau Real Estate) and 47-55 Church St. (owned by General Growth Properties), the two properties with the largest amount of square footage:

1. These properties pay no more than 80% of the established common area fee each fiscal year:
   * properties occupied by a single tenant that operate within the confines of a single retail enterprise, in excess of 20,000 square feet on the ground floor of the property, directly fronting Church Street Marketplace
   * enclosed regional shopping malls which have, within the confines of the Marketplace district or directly connected to it, total gross leaseable area in excess of 150,000 square feet. This exception applied to Burlington Square Mall, now called Burlington Town Center.
2. The continuation of this formula for Burlington Town Center is based on a mutually agreeable joint marketing program between Burlington Town Center and the Church Street Marketplace, approved by our two organizations April, 2005 and reviewed annually; and

WHEREAS, the Common Area Fee will increase from $2.08 per square foot to $2.14 per square foot or $51,710 for 47-55 Church Street (Burlington Town Center) and from $2.08 per square foot to $2.14 per square foot or $51,937 for 37-43 Church Street (Pomerleau Real Estate) in FY 2013. (These properties have traditionally paid a lower common area fee, based on a 1991 Marketplace Commission policy applicable to anchor stores and malls exceeding 20,000 square feet.); and

WHEREAS, the Marketplace Commission recommends that the standards and common area fees in the total amount of $630,317 set forth in Attachment A appended hereto be adopted; and

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WHEREAS, City Charter Sec. 326(c) requires that the City Council finally set such common area fees after public hearing, of which all interested parties receive 12 days notice as to time and place;

NOW, THEREFORE, BE IT RESOLVED that the City Council, pursuant to City Charter Sec. 326(b), hereby establishes standards and levies common area fees for 2012-2013 as set forth in Attachment A; and

BE IT FURTHER RESOLVED that a public hearing on the above-referenced assessment of common area fees shall be held at the next City Council meeting on June 18, 2012; and

BE IT FURTHER RESOLVED that the City Council shall finally set common area fees at the next City Council meeting on June 18, 2012.

lj/kas/c: Resolutions/Church Street Marketplace Allocation for Common Area Fees for FY 2013

# 5/30/12