



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



5

October 6, 1987

Budget & Finance Committee of  
the City Council  
Sacramento, CA

Honorable Members in Session:

SUBJECT: Amendment to Parking Structure Use License for Capitol  
Plaza Holiday Inn Hotel

SUMMARY

The attached report is submitted to you for review and  
recommendation prior to consideration by the Redevelopment Agency  
of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolution  
authorizing execution of the proposed amendment.

Respectfully submitted,

*William H. Edgar*  
WILLIAM H. EDGAR  
Executive Director

TRANSMITTAL TO COMMITTEE:

*Walter J. Slips*  
JACK R. CRIST  
Deputy City Manager

Attachment



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



October 13, 1987

Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** Amendment to Parking Structure Use License for  
Capitol Plaza Holiday Inn Hotel

SUMMARY

This report regards an amendment to the Parking Structure Use License for Garage "G" (located on the block bounded by 3rd, 4th, K and L Streets) between the Redevelopment Agency of the City of Sacramento and John Q. Hammons, representing Capitol Plaza Holiday Inn Hotel.

BACKGROUND

Garage "G" is a 1,336 space parking structure located on the block bounded by 3rd, 4th, K and L Streets. The garage is owned by the Redevelopment Agency and is operated by the City of Sacramento Parking Division through a Lease Agreement. The garage was initially opened for business in June, 1979.

The original parking structure use license was executed on October 22, 1977 (see Exhibit I). The original agreement provided for parking in Garage "G" for registered hotel guests at the Capitol Plaza Holiday Inn. The agreement provided for use of 350 parking spaces at a prescribed rate structure for term ending December 31, 2014.

On October 25, 1982, the Parking Structure Use License was amended as indicated in Exhibit II. The amendments were in regard to parking availability if the garage is at capacity; fee structure; and parking ticket validation.

The specific proposed amendments are outlined in Exhibit "C" and relate primarily to the rate structure.

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of  
the City of Sacramento  
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## FINANCIAL DATA

The proposed amendments are intended to continue to provide parking to Capitol Plaza Holiday Inn at a rate structure that yields the same amount of revenue to the City as would have been due under the original agreement. The provisions of the proposed amendments to the agreement provide a more equitable rate structure for both Capitol Plaza Holiday Inn and the City of Sacramento.

## POLICY IMPLICATION

The proposed action is consistent with existing adopted Agency policy and no policy changes are recommended.

## ENVIRONMENTAL REVIEW

The proposed action does not require any environmental review pursuant to the California Environmental Quality Act (CEQA).

## VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of October 5, 1987, the Sacramento Housing and Redevelopment Commission adopted a motion recommending the attached resolution. The votes were as follows:

AYES:

NOES:

ABSENT:

## RECOMMENDATION

The staff recommends adoption of the attached resolution approving the proposed second amendment to the Parking Structure Use License for Capitol Plaza Holiday Inn.

Respectfully Submitted,

*William H. Edgar*  
WILLIAM H. EDGAR  
Executive Director

TRANSMITTAL TO COUNCIL:

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WALTER J. SLIPE  
City Manager

# RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

APPROVING SECOND AMENDMENT TO  
PARKING STRUCTURE USE LICENSE FOR  
CAPITOL PLAZA HOLIDAY INN HOTEL

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY  
OF SACRAMENTO:

Section 1: The Executive Director is hereby authorized  
to execute the attached amendment to the Parking Structure Use  
License dated October 22, 1977, between the Redevelopment Agency  
of the City of Sacramento and John Q Hammons, representing  
Capitol Plaza Holiday Inn, for the parking garage located on the  
block bounded by 3rd, 4th, J and L Streets.

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
SECRETARY

154WPP1(255)

AMENDMENT TO  
PARKING STRUCTURE USE LICENSE

THIS AMENDMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 1987, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (herein called the "Agency"), and JOHN Q. HAMMONS, an individual (herein called "Hotel").

WITNESSETH:

WHEREAS, Agency and Hotel entering into a Parking Structure Use License dated October 22, 1977 (the "Original Agreement"), in connection with the use and operation of the parking structure and/or facilities by guests of Hotel;

WHEREAS, Agency and Hotel amended such Use License on October 25, 1982; and

WHEREAS, the parties desire to amend said Use License to update the provisions thereof.

NOW, THEREFORE, it is agreed that the Parking Structure Use License dated October 22, 1977, and amended on October 25, 1982, shall be amended as follows:

1. Subsection (a) of Section 4 shall be deleted in its entirety. Substituted in lieu thereof shall be a new subsection (a) to read:

"(a) Initial Term. For each month Hotel shall pay to Agency the total value of the total parking tickets using the aforementioned Parking Facilities. Said total value shall be computed according to the following hourly parking fee schedule:

6 a.m. to 6 p.m.	\$.25 per hour for first three hours \$.75 per hour for each hour thereafter until 6 p.m.
6 p.m. to 6 a.m.	\$.45 maximum; \$.25 first hour; \$.20 second hour

Such rates may be increased by the same percentage as any City of Sacramento city-wide parking rate increases using the September 1, 1987 city-wide rate as the base. For example, if the City of Sacramento increases its fourth plus hourly day rate from \$1.25 to \$1.50 (a 20 percent increase), the Hotel fourth plus hourly day rate could be increased by 20 percent from \$.75 to \$.90.

Any increases in Hotel's parking rates authorized by this subsection shall be subject to adjustment pursuant to the following annual review. On or about September 1, 1988 and on or about September 1 of each year thereafter, Agency, or its representative of Hotel shall meet to compare the actual amount the City of Sacramento billed to Hotel in the prior fiscal year to the amount which Hotel would have been obligated to pay to the Agency under the Original Agreement. In the event that the amount billed differs by 5 percent or more from the amount due under the Original Agreement, the Agency shall adjust the Hotel's parking rates in a manner likely to yield the amount due under the Original Agreement in that fiscal year. Such adjustment shall become effective on or before October 1 provided that Hotel provides to Agency on or before September 1 documentation, reasonably adequate in the opinion of Agency, which verifies the Hotel average room rate in the immediately prior fiscal year.

To the extent possible, adjustments shall be made by changing the night rate. Day rates shall be adjusted only if an adjustment in the night rate is likely to be inadequate to yield the amount due under the Original Agreement. Adjustments shall not be made to retroactively rectify differences between the amount billed and the amount due under the Original Agreement prior to the time of each annual review.

Annual adjustments may be either up or down; provided, however, that no adjustment shall result in a Hotel parking rate higher than a then prevailing City of Sacramento city-wide parking rate.

The amount due to Agency from Hotel under the Original Agreement on a fiscal year basis shall be calculated as follows:

6.125 times 365 times the average Hotel room rate in the prior fiscal year (July 1 to June 30).

2. A new Section 12 shall be added to read:

In the event the Hotel expands its square footage in a manner likely to increase parking demand, this Agreement may be renegotiated to take into account such increased parking demand.

Except as modified herein, all other terms and conditions of the Parking Structure Use License dated October 22, 1977, and the amendment thereto dated October 25, 1982, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to Parking Structure Use License as of the date first above written.

APPROVED AS TO FORM:

\_\_\_\_\_  
Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY  
OF SACRAMENTO

BY

\_\_\_\_\_  
William H. Edgar  
Executive Director

JOHN Q. HAMMONS

BY

154WPP1(251)

PARKING STRUCTURE USE LICENSE

THIS AGREEMENT, entered into this 26<sup>TH</sup> day of OCTOBER, 1977, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (herein called the "Agency"), and JOHN Q. HAMMONS, an individual (herein called "Hotels").

## WITNESSETH:

WHEREAS, Hotels intends to construct a Hotel on the blocks bounded by 3rd, 4th, J and L Streets under the terms of an Assignment Agreement by and among Hotels, Agency, and Downtown Plaza Properties, a joint venture, dated July 21, 1976; and

WHEREAS, Agency anticipates constructing permanent parking structures on the block bounded by 3rd, 4th, J and L Streets and the block bounded by 4th, 5th, J and K Streets, and to develop temporary parking facilities on land owned by the Agency, including land in all of the above-mentioned blocks; and

WHEREAS, the parties hereto desire to provide for the use of said parking structures and/or facilities by the guests of Hotels; and

WHEREAS, Hotels and Agency acknowledge that the construction of a Hotel by Hotels is not feasible without the assurance of the construction and continued operation of a public parking facility in the immediate proximity of the Hotel wherein Hotels can accommodate its guests' parking requirements on a guaranteed long term contractual basis.

NOW, THEREFORE, IT IS AGREED:

1. Times at Which Parking Structures Will be Operational. Either the Primary Parking Structure or the Secondary Parking Structure shall be completed and operational not later than June 18, 1979, or six (6) months following the date the Hotel is open for business, whichever is later. In any event, the Primary Parking Structure shall be completed and operational not later than the date established by the parties hereto at the time Agency approves Preliminary Plans for the Hotel in accordance with the provisions of the Assignment Agreement. When the Primary Parking Structure is completed and operational, it shall remain operational during the remainder of the term of this License except for shutdowns due to necessary maintenance. In the event the Primary Parking Structure is completed before the Secondary Parking Structure, then the Agency shall be under no obligation to construct the Secondary Parking Structure. The term "Primary Parking Structure" means the Parking Structure the Agency anticipates constructing on the blocks bounded by 3rd, 4th, J and L Streets. The term "Secondary Parking Structure" means the Parking Structure the Agency anticipates constructing on the block bounded by 4th, 5th, J and K Streets.

2. Use of Spaces by Hotels. Agency shall make available to Hotels during the term of this License not less than three hundred fifty (350) off-street parking spaces in the following manner:

(a) Temporary Parking Facility. During the period beginning on the date said Hotel is open for business and ending on the day before either the Primary or Secondary Parking Structure is completed and operational, Agency shall make said spaces available to Hotels in temporary parking facilities, the nearest boundary of which shall be within eight hundred feet (800') of the nearest boundary of the Hotel Parcel.

(b) Permanent Parking Facility. During the period beginning on the day either the Primary or Secondary Parking Structure is completed and operational and ending on the last day of the term of this License, Agency shall make said spaces available to Hotels in accordance with the following:

(i) At all times in which the Primary Parking Structure is operational and the Secondary Parking Structure is not operational, Agency shall make said spaces available in the Primary Parking Structure. Two hundred fifty (250) of said parking spaces shall be located in the primary structure in the closest proximity to the Hotel lobby. Said 250 spaces shall also be conspicuously posted to state in substance: 'For Hotel guests after 4 p.m. daily', or similar thereto; Provided that Agency will not assume any responsibility for keeping vehicles out of or removing vehicles from said parking spaces, but Hotels may employ personnel to patrol said parking spaces; Provided that City first approves the method of patrolling said parking spaces. During periods while the

primary structure is not operational, and also during periods covered by the provisions of (iii) hereof, Agency shall make reasonable arrangements to accommodate Hotel guest parking for up to 250 spaces which are in the closest proximity and most reasonably accessible to the Hotel.

(ii) At all times in which the Secondary Parking Structure is operational and the Primary Parking Structure is not operational, Agency shall make said spaces available in the Secondary Parking Structure.

(iii) At all times in which both the Primary and Secondary Parking Structures are operational, Agency shall make said spaces available in the Primary Parking Structure, except that Agency shall have the right on special days when there is an anticipated surcharge of retail demand for parking spaces (which number of days shall not exceed five percent (5%) of the days in any calendar year), to make up to one hundred sixty-five (165) of said spaces available in the Secondary Parking Structure.

3. Operation of Parking Structures. The Parking Structure(s) and facility(ies) shall be operated by either the City of Sacramento or the Agency and shall be operated in the same manner as other publicly owned and operated parking facilities in the downtown area. Ingress and egress will be provided and maintained twenty-four (24) hours a day, three hundred sixty

five (365) days a year.

Agency and City intend to allow persons other than guests of Hotels to use those spaces which are available to Hotels' guests during such times as they are not occupied by guests of Hotels. Therefore, it is imperative that Agency and City have sufficient information upon which to make accurate projections of the use of these spaces by guests of Hotels. Accordingly, Hotels shall provide Agency or City upon request any pertinent information Hotels may have which will assist the Agency and City in projecting the use of these spaces by guests of Hotels.

4. Compensation to Agency. For the use of said spaces during the term of this License, Hotels shall pay Agency as follows:

(a) Initial Term. On the first day of each month during the initial term of this License, Hotels shall pay to Agency an amount equal to the product of \$175.00 multiplied by the number of days in that month. In the event the term commences on a day other than the first day of a month, then said amount shall be prorated for the first month. In addition, on February 1st of each year beginning in 1985 and terminating in 2015, Hotels shall pay to Agency in addition to the monthly payments set forth above, the product of the "current parking rate" multiplied by the number of days in the previous calendar year. "Current parking rate" for any year shall be computed as follows: Subtract

\$175.00 from the product of 6.125, multiplied by the average room rate for the previous year. In the event the result of the computation made pursuant to the above sentence is less than zero, the current parking rate for that year shall be deemed to be zero.

(b) Extended Term. In the event the term of this License is extended beyond the expiration of the initial term, as provided in Section 9 hereof, Hotels shall pay Agency at a rate to be agreed upon between the parties hereto. In the event the parties are unable to agree upon said rate, then this rate shall be determined by binding arbitration to be conducted in accordance with the then applicable rules of the American Arbitration Association, or if said Association is not in existence at that time, the then applicable rules of a recognized arbitration agency. The arbitrator shall consider the following in determining the appropriate rate Hotels shall pay Agency for the use of said spaces:

(i) the hours, duration and extent of Hotel guest use of the Parking Structure;

(ii) the rates for comparable periods of time in comparable locations and uses then being charged by the City or other parking authorities.

(c) Parking Fees. Neither the Agency nor its assignee shall collect parking fees from or otherwise charge Hotels' registered guests in any way for parking in such spaces

Agency or its assignee may collect parking fees from or otherwise charge all other persons parking in such spaces. Hotels agrees to provide each registered guest with identification, including room number, or other similar such evidence of registration as a guest for presentation at the parking structure or facility.

(d) Definition of "Guest". The term "guest" as used herein shall mean an individual paying rent for occupancy of the Hotel.

(e) Definitions - "Rent" and "Occupancy". The terms "rent" and "occupancy" shall have the same meanings they have in the "Uniform Transient Occupancy Tax" of the City of Sacramento (Sacramento City Code Chapter 41, Article I, §4122).

5. Possessory Interest Taxes. Agency shall pay all possessory interest taxes assessed against Hotel which arise out of the use of said parking spaces under this License and/or which are imposed upon or assessed against this License.

6. Other Taxes and Assessments. Hotels shall pay all other taxes and assessments which arise out of the use of said parking spaces under this License and/or which are imposed upon or assessed against this License. Agency agrees that it and its successors shall not impose any discriminatory tax or assessment on this License or the exercise of the use or rights hereunder.

7. Assignment by Hotels. This License may be assigned by Hotels to a responsible purchaser of said Hotel. The term

"responsible purchaser" means one whose net worth, prior to the purchase of the Hotel, exceeds One Million Dollars as determined by the application of standard accounting principles using fair market value for the determination of asset value rather than historic book cost. Upon any such assignment and following receipt by Agency of the written assumption of such purchaser of Hotels' rights and obligations under this License, Hotels shall be released from all further performance hereunder.

8. Assignment by Agency. Agency may assign its rights and obligations under this License to the City of Sacramento or to any other entity, provided that an assignment to such other entity may be made only if said entity also operates other publicly-owned and operated parking facilities in the downtown Sacramento area.

9. Hotels' Option to Extend Term. Hotels shall have the option to extend the term of this License for an additional twenty (20) year period. Said option shall be automatically exercised unless Hotels shall on or before December 31, 2013, give Agency written notice of its intention not to exercise said option.

10. Condition Precedent to Agency's Obligations. Notwithstanding any other provision of this License, the commencement of construction of the Hotel and the completion thereof in accordance with the provisions of the Assignment Agreement shall be a condition precedent to the performance of Agency's obligations

under this License.

11. Term. The term of this License shall commence on the date the Hotel is completed and open for business and shall expire on December 31, 2014, provided that in the event this License is extended as provided in Section 9 hereof, then said term shall expire on December 31, 2034.

IN WITNESS WHEREOF, the parties hereto have executed this Parking Structure Use License as of the date first above written at Sacramento, California.

REDEVELOPMENT AGENCY OF THE CITY  
OF SACRAMENTO

By \_\_\_\_\_  
Chairman

By Robert E. Roche  
Acting Secretary

JOHN Q. HAMMONS

By \_\_\_\_\_

AMENDMENT TO  
PARKING STRUCTURE USE LICENSE

THIS AMENDMENT, made this 25th day of October, 1982, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (herein called the "Agency"), and JOHN Q. HAMMONS, an individual (herein called "Hotel").

WITNESSETH:

WHEREAS, Agency and Hotel entering into a Parking Structure Use License dated October 22, 1977, in connection with the use and operation of the parking structure and/or facilities by guests of Hotel; and

WHEREAS, the parties desire to amend said Use License to clarify and update the provisions thereof.

NOW, THEREFORE, it is agreed that the Parking Structure Use License dated October 22, 1977, shall be amended as follows:

1. Subsection (b) of Section 2 shall be amended by adding the following language as subsection (iv):

"(iv) If the structure in which the spaces are to be made available pursuant to subsections (i), (ii) and (iii) hereof shall be filled to capacity, then the Agency shall make available for Hotel guest parking an additional one hundred (100) spaces in the following structures in the following order as available: (1) a multi-story parking structure known as "Lot G" located within

the boundaries of 3rd, 4th, K and L streets (the "Primary Structure" herein), (2) the present surface lot known as "Lot U" and located within the boundaries of 4th, 5th, J and K streets, (3) a two level underground structure known as "Lot K" and located within the boundaries of 5th, 7th, J and L streets.

2. Subsection (b)(ii) of Section 2 shall be amended by adding the figure "250" before the word "spaces" in the last line of said subsection.
3. Subsection (b)(iii) of Section 2 shall be amended to read as follows:

"(iii) At all times in which both the Primary and Secondary Parking Structures are operational, Agency shall make said 250 spaces available in the Primary Parking Structure, except that Agency shall have the right on special days when there is an anticipated surge of retail demand for parking spaces (which number of days shall not exceed five percent (5%) of the days in any calendar year), to make up to one hundred sixty-five (165) of said 250 spaces available in the Secondary Parking Structure."

4. Subsection (a) of Section 4 shall be deleted in its entirety. Substituted in lieu thereof shall be a new subsection (a) to read as follows:

"(a) Initial Term. For each month Hotel shall pay to Agency the total value of the total parking tickets using the aforementioned Parking Facilities. Said total value shall be computed according to the hourly parking fee schedule as set forth from time to time by resolution of the City Council. Said hourly parking fee schedule shall not, in respect to the Parking Facilities to be used

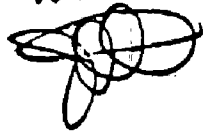
by Hotel, differ from other hourly parking facilities operated by the City of Sacramento; and in no case shall Agency increase the night rate maximum (6:00 p.m. to 6:00 a.m.) charged to Hotel guests, to more than One Dollar (\$1.00) for a period of three (3) years from the date of this Amended Use License. Thereafter, subsequent to the 3-year period, the Agency shall not increase said night rate maximum charged to Hotel guests to exceed the greater of (1) the night rate maximum charged in other City of Sacramento operated off-street parking facilities or (2) an amount equal to four (4) times the average hourly rate paid by the operator of a vehicle other than a Hotel guest parked at this facility or any other City operated facility operating on an hourly basis for the entire period from 6 p.m. to 6 a.m. In making this latter computation, the average hourly rate will be calculated by dividing the total amount to be paid by such a vehicle entering at 6 p.m. and leaving at 6 a.m. by twelve hours.

5. Subsection (b) of Section 4 shall be deleted in its entirety. Substituted in lieu thereof shall be a new subsection (b) to read as follows:

"(b) Extended Term. In the event the term of this Use License is extended beyond the expiration of the initial term, as provided in Section 9 hereof, Hotels shall pay Agency at the hourly fee schedule as agreed upon in Section 4(a) herein."

6. Subsection (c) of Section 4 shall be amended by deleting the last sentence of said subsection beginning with the word "Hotels" at the top of page 7, and inserting in lieu thereof the following:

"Hotel agrees to validate each parking ticket with a legible and unique ink-stamped impression

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by which parking personnel can immediately identify such parking tickets as those of ~~registered hotel guests~~ *its guests*. Hotel agrees to pay fees for each parking ticket so validated as provided in Section 4(a) hereof.

7. Subsection (d) of Section 4 shall be deleted in its entirety.

Except as modified herein, all other terms and conditions of the Parking Structure Use License dated October 22, 1977, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to Parking Structure Use License as of the date first above written.

REDEVELOPMENT AGENCY OF THE CITY  
OF SACRAMENTO

By William A. Elyan  
Executive Director

JOHN Q. HAMMONS

By 

EXHIBIT ABASIC TERMS - HOLIDAY INN PARKING AGREEMENT1. Rates

6 a.m. to 6 p.m.	\$.25 per hour for first three hours \$.75 per hour for each hour thereafter until 6 p.m.
6 p.m. to 6 a.m.	\$.45 maximum; \$.25 first hour; \$.20 second hour

Holiday Inn agrees to the above rate structure in reliance on staff representation that these rates were calculated by staff to yield the same total annual amount as Holiday Inn would have paid under the Parking Structure Use License dated October, 1977 (hereafter the "Original Agreement") in fiscal year 1985-86 (\$126,758 based on a FY 1984-85 room rate of \$56.70).

2. City-wide Parking Rate Increases

The rates specified in paragraph 1 above may be increased by the same percentage as any city-wide parking rate increases using the September 1, 1987 city-wide rate as the base. For example, if the City increases its fourth plus hourly day rate from \$1.25 to \$1.50 (a 20% increase), the Holiday Inn fourth plus hourly day rate could be increased by 20% from \$.75 to \$.90.

Any increases in Holiday Inn parking rates authorized by this paragraph 2 shall be subject to adjustment pursuant to paragraph 3 below.

3. Annual Review

A. On or about September 1, 1988 and on or about September 1 of each year thereafter, City staff and a Holiday Inn representative shall meet to compare the actual amount the City billed to Holiday Inn in the prior fiscal year to the amount which Holiday Inn would have been obligated to pay under the Original Agreement. In the event that the amount billed differs by 5% or more from the amount due under the Original Agreement, the City shall adjust the Holiday Inn's parking rates in a manner likely to yield the amount due under the Original Agreement in that fiscal year.

B. Such adjustment shall become effective on or before October 1 provided that Holiday Inn provides to City on or before September 1 documentation, reasonably adequate in the opinion of City, which verifies the Holiday Inn average room rate in the

immediately prior fiscal year.

C. To the extent possible, adjustments shall be made by changing the night rate. Day rates shall be adjusted only if an adjustment in the night rate is likely to be inadequate to yield the amount due under the Original Agreement.

D. Adjustments shall not be made to retroactively rectify differences between the amount billed and the amount due under the Original Agreement prior to the time of each annual review.

E. Annual adjustments may be either up or down; provided, however, that no adjustment shall result in a Holiday Inn parking rate higher than a then prevailing City-wide parking rate.

#### 4. Amount Due Under the Original Agreement

The amount due under the Original Agreement on a fiscal year basis is calculated as follows:

6.125 times 365 times the average Holiday Inn room rate in the prior fiscal year (July 1 to June 30).

#### 5. Expansion of the Holiday Inn

In the event that the Holiday Inn expands its square footage in a manner likely to increase parking demand, this Agreement may be renegotiated to take into account such increased parking demand.