REPORT TO COUNCIL
City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

CONSENT
January 29, 2008

Honorable Mayor and
Members of the City Council

Title: Parking Agreement: Mueller Elks Building

Location/Council District: Mueller Elks Building at 11th & J Streets and City Hall Garage at 10th & I Streets/Council District 1

Recommendation: Adopt a **Resolution** authorizing the City Manager to execute a parking agreement with Utah Partners for up to 100 monthly parking permits at City Hall Garage, located at 10th & I Streets, at the prevailing market rate for a term of 20 years with three 5-year options.

Contact: Howard Chan

Presenters: None

Department: Transportation

Division: Parking Services

Organization No: 3461

Description/Analysis

Issue: Utah Partners is the owner of the Mueller Elks Building located at 11th & J Streets. They recently completed extensive renovations to the building and have leased a portion of the building to the McCormick & Schmicks restaurant. Utah Partners currently has a parking agreement with the City for 100 monthly parking permits at City Hall Garage; however, it is due to expire in 2017. In order to attract and retain tenants, the Utah Partners would like to enter into a new long-term agreement with the City for a term of 20 years with three 5-year options to ensure parking is available to the tenants of the Mueller Elks Building. The current agreement will be terminated upon execution of the new agreement.

Policy Considerations: This parking agreement supports the City of Sacramento Strategic Plan goal to expand economic development throughout the City.

Environmental Considerations: This project is exempt from the California Environmental Quality Act (CEQA) under Section 15301 "Operation of existing public structures or facilities involving no expansion of use."

Rationale for Recommendation: Utah Partners recently completed extensive renovations to the Mueller Elks Building. In order to secure tenants for the building they need to have a long-term source of parking available. Because Utah Partners currently has a parking agreement with the City for the same number of parking spaces, the new agreement will not impact the current supply of parking at City Hall Garage.

Financial Considerations: Permits issued under the new agreement will be billed at the prevailing market rate. Based on current monthly parking permit fees the total revenue collected during the initial 20 year term will be $3,720,000.

Emerging Small Business Development (ESBD): There are no ESBD considerations completed with the requested action.

Respectfully Submitted by: _____
Howard Chan
Parking Services Manager

Approved by: _____
Jerry Way
Director of Transportation

Recommendation Approved:

_____
RAY KERRIDGE
City Manager

Table of Contents:

Pg 1 Report
Attachments
1 Pg 3 Resolution

RESOLUTION NO.

Adopted by the Sacramento City Council

PARKING AGREEMENT: MUELLER ELKS BUILDING

BACKGROUND

A. Utah Partners is the owner of the Mueller Elks Building located at 11th & J Streets. They recently completed extensive renovations to the building and have leased a portion of the building to the McCormick & Schmicks restaurant.

B. Utah Partners currently has a parking agreement with the City for 100 monthly parking permits at City Hall Garage; however, it is due to expire in 2017. Prior to its purchase of the Mueller Elks Building, Utah Partners received commitments from City staff that a long-term parking agreement would be negotiated which would allow it to attract and retain tenants. The current agreement will be terminated upon execution of the new agreement.

C. Because Utah Partners currently has a parking agreement with the City for the same number of parking spaces, the new agreement will not impact the current supply of parking at City Hall Garage.

D. Permits issued under the new agreement will be billed at the prevailing market rate. Based on currently monthly parking permit fees the total revenue collected during the initial 20 year term will be $3,720,000.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager is authorized to execute a Parking Agreement with Utah Partners for up to 100 monthly parking permits at City Hall Garage, located at 10th & I Streets, at the prevailing market rate for a term of 20 years with three 5-year options.