

RESOLUTION NO. 2009-739

Adopted by the Sacramento City Council

December 1, 2009

LEASE AGREEMENT: 917 10TH STREET

BACKGROUND

- A. Michael and Annetta Zimmerman are owners of the Michael Z Salon which has been operating at its current location in City Hall Garage since 1994. Their lease expired September 30, 2009 and they submitted an offer to lease the site for an additional five years with two 5-year options.
- B. Pursuant to City Code Section 3.68.110 the Zimmermans submitted a firm and complete written offer to lease the 917 10th Street space wherein the rent specified is at or above the fair market rate for comparable property as determined by the City's real property supervisor.
- C. 917 10th Street is located near the corner of 10th and I Streets in the City's City Hall Garage. The site is approximately 786 square feet in size. City Hall Garage has over 21,000 square feet of commercial retail/office space.
- D. The term of the lease is five years with two 5-year extended term options. Based on a market rate of \$1.75 per square foot, monthly rent payments will begin at \$1,375.50 and increase 3% annually. Total rent collected during the initial 5-year term will be \$87,632. All rental income will be deposited in the Parking Fund (Fund 6004).
- E. Since the tenant is not planning any new improvements to the space, no tenant improvement funds are being provided.

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

- Section 1. Pursuant to City Code Section 3.68.110, it is in the best interests of the City to lease 917 10th Street without bidding.
- Section 2. The City Manager is authorized to execute a lease agreement with Michael and Annetta Zimmerman, owners of the Michael Z Salon, for retail space located at 917 10th Street for a term of five years with two 5-year options.

Adopted by the City of Sacramento City Council on December 1, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

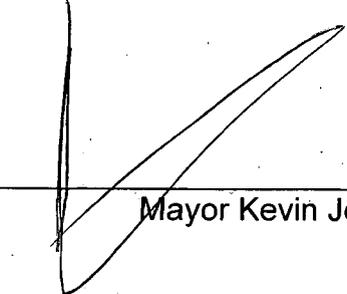
Noes: None.

Abstain: None.

Absent: None.

Attest:


Shirley Concolino, City Clerk


Mayor Kevin Johnson