



City of Sacramento City Council

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

Meeting Date: 6/12/2012

Report Type: Consent

Title: Lease Agreement: 2107 & 2109 Del Paso Blvd – North Sacramento/Hagginwood Library

Report ID: 2012-00454

Location: 2107 & 2109 Del Paso Blvd / District 2

Recommendation Pass a Resolution: 1) authorizing the City Manager or the City Manager's designee to execute a five-year lease agreement with Dale B and Sophia Cook for a three-year renewal option for property located at 2107 & 2109 Del Paso Blvd for the North Sacramento/Hagginwood Library; and 2) ratifying prior lease payments made in the amount of \$20,186 for the continued occupancy of the subject property after the lease expired on March 18, 2012.

Contact: Donald Tucker, Director of Facilities, Sacramento Public Library Authority, (916)264-2727; Ken Hancock, Real Property Agent, (916) 808-5752; Rhonda Lake, Facilities and Real Property Superintendent, (916) 808-7902, General Services Department

Presenter: None

Department: General Services Dept

Division: Real Estate/Asset Management

Dept ID: 13001551

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Contract With Dale B and Sophia Cook
- 4-Resolution

City Attorney Review

Approved as to Form
Lan Wang
6/6/2012 1:31:51 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
5/29/2012 6:18:29 PM

Approvals/Acknowledgements

Department Director or Designee: Reina Schwartz - 6/5/2012 10:33:59 AM

Description/Analysis

Issue: The North Sacramento/Hagginwood Library (Library) has been operating in the Del Paso Heights community since 1986, at which time the City entered into a lease agreement (City Agreement No. 86097) for the property located at 2107 & 2109 Del Paso Blvd with Dale B. & Sophia L. Cook (Landlord) to establish an approximate 4,000 square foot community library. Over the years, the lease has been amended five times. In order to update the language of the lease, add provisions to protect the City's interests, and minimize the City's risk, the City and Landlord agree to enter into a new five-year lease with a three-year renewal option, subject to City Council approval.

Policy Considerations: Execution of the lease conforms to the Library Master Plan.

Environmental Considerations:

California Environmental Quality Act (CEQA): The recommendations in this report constitute a continuing administrative activity that results in no physical change to the environment. Therefore, the action is exempt from the provisions of CEQA under CEQA Guidelines Sections 15378 and 15061(b)(3).

Sustainability: None

Commission/Committee Action: None

Rationale for Recommendation: The Library has been in its current location at 2107 & 2109 Del Paso Blvd and under the same Landlord since 1986. Executing a new lease agreement will allow for the continued operation of the Library at its current location and provide additional financial protection for the City through an early termination provision which will protect the City's interests and limit its financial risk.

Financial Considerations: The proposed lease is a full-service agreement wherein all costs for utilities, maintenance, repairs, taxes and assessments, building operation, and repair and maintenance of the on-site parking lot will be borne by the Landlord. In addition, the Landlord agrees to include an early termination provision which will protect the City's interests and limit its financial risk.

The Library will pay the monthly lease cost out of its operating budget. Monthly rent will start at \$6,021 (\$1.50 per square foot) and end in the fifth year at \$6,517 (\$1.63 per square foot). Rent for the renewal option, if exercised, will be "fair market" as of the date the Landlord is given the option notice. Fair market rent is defined in the lease as the amount of rent that would typically be paid by a tenant under a full service lease for premises of a similar type, design and quality in the same or similar geographic area as the library is located.

This report recommends ratification of lease payments made for the subject property in the amount of \$20,186 since the expiration of the previous lease agreement on March 18, 2012.

Emerging Small Business Development (ESBD): No goods or services are being purchased as a result of this report.

Background Information:

The Library property lease was originated in 1986 as City Agreement No. 86097. Initial interior improvements constructed to meet library specifications were constructed at no cost to the City. Over the 26 years that the Library has occupied the site, the Landlord has consistently attended to the City's requests for repairs and improvements. Through the years, five amendments have been executed to extend the lease, adjust the monthly rental rate, and provide numerous interior and exterior improvements paid by the Landlord. The lease is, and has been, a full-service agreement with the Landlord paying all costs of utilities, maintenance, repair, replacements, janitorial, taxes and assessments and all other charges associated with building operation and repair and maintenance of the on-site parking lot.

Under the proposed lease, the City and Landlord agree to include an early termination provision exercisable with 180 days written notice to the other party. This will protect the City from financial loss in the event the City should need to vacate the building at any time during the lease term. In addition, a provision was added whereby rent will be abated in the event the City cannot use or occupy all or a portion of the building for its intended purpose. This is intended to protect the City in the event the Landlord undertakes a major repair or renovation project which would render all or a portion of the premises untenable.



**LEASE
2107 & 2109 DEL PASO BOULEVARD
SACRAMENTO, CALIFORNIA
NORTH SACRAMENTO/HAGGINWOOD LIBRARY**

THIS LEASE (the "Lease"), is executed at Sacramento, California on _____, 2012, between DALE B. AND SOPHIA L. COOK and the CITY OF SACRAMENTO, a municipal corporation, hereinafter called respectively the Lessor and Lessee, without regard to number or gender.

1. DESCRIPTION OF PREMISES. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, on the terms and conditions hereinafter set forth, those certain "Premises" situated in the City of Sacramento, County of Sacramento, State of California, described as follows:

LOTS 22 & 23, BLOCK 4, NORTH SACRAMENTO SUBDIVISION NO. 9

Said respective Premises are commonly known as 2109 and 2107 Del Paso Boulevard, Sacramento, CA, 95815, further identified as Sacramento County Assessor Parcel Numbers (APN): 275-0043-012 and 275-0043-013.

2. TERM. The term of this Lease shall be for a period of five (5) years, hereinafter called the "Lease Term", commencing on March 19, 2012, and terminating on March 18, 2017.

3. RENT. Base Rent for the first year of the Lease Term shall be SIX THOUSAND AND TWENTY-ONE DOLLARS (\$6,021.00) and shall increase by 2% on an annual basis for the duration of the Lease Term. The Base Rent for the Lease Term shall be as follows:

<u>LEASE TERM YEAR</u>	<u>CALENDAR PERIOD</u>	<u>MONTHLY RENT</u>
1	03/19/2012 – 03/18/2013	\$6,021.00
2	03/19/2013 – 03/18/2014	\$6,141.42
3	03/19/2014 – 03/18/2015	\$6,264.25
4	03/19/2015 – 03/18/2016	\$6,389.53
5	03/19/2016 – 03/18/2017	\$6,517.32

4. OPTION TO RENEW. Provided this Lease is in full force and effect and Lessee is not in default under any of the terms or conditions contained herein, Lessee shall have the option to renew the Lease for three (3) years (the "Option Period") on the same terms and conditions as set forth herein, except as to Rent, by giving written notice of exercise of the option (the "Option Notice") to Lessor no later than one hundred twenty (120) days prior to expiration of the Lease Term.

5. RENT FOR OPTION PERIOD.

a) In the event that Lessee exercises the Option Period as provided in Section 4 herein, the monthly rental payments during the Option Period shall be "Fair Market Rent" as of the "Rent Determination Date" as those terms are defined in this Section 5.

b) As used in this Lease, "Fair Market Rent" shall be deemed to mean the amount of rent that would typically be paid by a tenant under a full service lease such as this Lease for premises of a similar type, design, and quality in the same or similar geographic area as the Premises are situated under market conditions existing as of the Rent Determination Date.

c) As used in this Lease, "Rent Determination Date" shall be deemed to mean the date on which Lessor is given the Option Notice in accordance with Section 4 herein.

d) If Lessor and Lessee cannot agree on the Fair Market Rent within thirty (30) days after the Rent Determination Date, the option to renew shall lapse and the Lease shall terminate at the end of the Option Period.

6. USE OF PREMISES. The Premises shall be leased by Lessee for the purposes of the City of Sacramento Hagginwood/North Sacramento Library and for uses normally incident thereto.

7. LESSOR IMPROVEMENTS. Lessor, at its sole cost and expense, shall provide the interior improvements, hereinafter the "Improvements", listed on Exhibit "A", attached hereto and incorporated herein by this reference.

8. UTILITIES, MAINTENANCE, TAXES AND ASSESSMENTS. During the term of this Lease, all costs of ownership, management, operation, maintenance, cleaning and repair of the Premises and the parking area in the rear of the Premises, including utilities charges for gas, electric, water, sewer and garbage service, except as otherwise provided in this Section 8, shall be the responsibility of Lessor. Lessor shall pay for or otherwise arrange for the payment of all costs and expenses required to perform its obligations hereunder. Lessor shall pay all real property taxes, special taxes and assessments on or attributable to the Premises. Lessee shall pay all costs and expenses associated with its own telephone and computer use, including installation charges.

9. INSURANCE HAZARDS. No use shall be made or permitted to be made of the Premises, nor acts done, which will increase the existing rate of insurance upon the building in which the Premises are located, or cause a cancellation of any insurance policy covering said building, or any part thereof, nor shall Lessee sell, or permit to be kept, used, or sold, in or about the Premises, any article which may be prohibited by the standard form of fire insurance policies. Lessee

shall, at its sole cost and expense, comply with any and all requirements pertaining to the Premises, of any insurance organization or company, necessary for the maintenance of reasonable fire and public liability insurance, covering the building and appurtenances. During the term of this Lease, Lessee shall maintain insurance as set forth in the self-insurance policy as presently in effect for the City of Sacramento. Lessee shall provide a letter of self-insurance upon approval and execution of this Lease.

10. ACCEPTANCE OF PREMISES; SURRENDER AT END OF TERM. By entry hereunder, Lessee accepts the Premises as being in good and sanitary order, condition and repair, and agrees on the last day of said term, or sooner termination of this Lease, to surrender the Premises with appurtenances to the Lessor in the same condition as when received, reasonable wear and tear thereof excepted. Lessee has inspected the Premises and, subject to completion of any improvements by the Lessor contemplated by Paragraph 7, above, Lessee accepts the Premises in their AS IS, WHERE IS, WITH ALL FAULTS CONDITION.

11. WASTE; QUIET CONDUCT/QUIET ENJOYMENT. Lessee shall not make, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing which may disturb the quiet enjoyment of any other tenant in the building in which the Premises are located (including, without limitation, the use of loudspeakers or sound or light apparatus that can be heard or seen outside the Premises). Lessor covenants and agrees with Lessee that upon Lessee paying full rent and observing and performing all of the terms, covenants, and conditions, on Lessee's part to be observed, Lessee may peaceably enjoy the Premises hereby demised.

12. LESSEE ALTERATIONS. Lessee shall not make, or suffer to be made, any alterations of the Premises, or any part thereof, without the prior written consent of Lessor. All alterations, improvements, additions, or fixtures, other than trade fixtures not permanently affixed to realty, that may be made or installed upon the Premises by either of the parties and that in any manner are attached to the floors, walls, or ceilings, shall be the property of the Lessor, and, at the termination of this Lease, shall remain upon and be surrendered with the Premises as part of the Premises, without disturbance, molestation, or injury; provided, however, Lessee may remove trade fixtures, if Lessee repairs any damage to the Premises caused by such removal. However, Lessor can elect within thirty (30) days before expiration of the Lease Term, to require Lessee to remove any alterations that Lessee has made to the Premises. If Lessor so elects, Lessee at its cost shall restore the Premises to the condition designated by Lessor in its election, reasonable wear and tear thereof excepted, before the last day of the term. However, any floor covering that may be cemented or otherwise affixed to the floor of the Premises shall be and become the property of Lessor.

13. INTERRUPTION OF ACCESS, USE OR SERVICES. Lessor shall not be liable for any failures to provide access to the Premises, to assure the beneficial use of the Premises or to furnish any services or utilities when such failure is caused by natural occurrences, riots, civil disturbances, insurrection, war, court order, public enemy, accidents, breakage, strikes, lockouts, other labor disputes, the making of repairs or alterations or improvements to the Premises or the building, the inability to obtain an adequate supply of fuel, gas, steam, water, electricity, labor or other supplies or by any other condition beyond Lessor's reasonable control, and Lessee shall not be entitled to any damages resulting from such failure, nor shall such failure relieve Lessee of the obligation to pay all sums due hereunder or constitute or be construed as a constructive or other eviction of Lessee. If any governmental entity promulgates or revises any statute, ordinance or building, fire or other code, or imposes mandatory or voluntary controls or guidelines on Lessor or the building or any part thereof, relating to the use or conservation of energy, water, gas, steam, light or electricity or the provision of any other utility or service provided with respect to this Lease, or if Lessor is required or elects to make alterations to the building in order to comply with such mandatory or voluntary controls or guidelines, Lessor may, in its sole discretion, comply with such mandatory or voluntary controls or guidelines, or make such alterations to the building. Neither such compliance nor the making of such alterations shall in any event entitle Lessee to any damages, relieve Lessee of the obligation to pay any of the sums due hereunder, or constitute or be construed as a constructive or other eviction of Lessee.

Notwithstanding the foregoing or any other provisions of this Lease to the contrary, unless due to any fault on the part of Lessee, its employees, agents or contractors, Lessee's obligation to pay rent shall abate proportionately during any period in which Lessee's access to, or use of, all or any portion of the Premises for their intended purpose is so impaired that Lessee cannot, and actually does not, use all or such portion of the Premises for a period in excess of five (5) consecutive business days; the rent abatement in such case to commence as of the sixth (6th) business day. Lessee shall give Lessor notice of any such interruption of access, use or services prior to Lessee ceasing to use all or any portion of the Premises. If the interruption of access, use or services cannot be cured within ninety (90) days of the notice from Lessee, this Lease may be terminated by either party upon thirty (30) days written notice to the other party.

14. ABANDONMENT OF PREMISES, TRADE FIXTURES. Lessee shall not vacate or abandon the Premises at any time during the term, and if Lessee shall abandon, vacate, or surrender said Premises, or be dispossessed by process of law, or otherwise, any personal property belonging to Lessee and left on the Premises shall be deemed to be abandoned at the option of Lessor.

15. DEFAULT. The occurrence of any of the following shall constitute a default by Lessee or, as and where the context allows, by Lessor:

(1) Lessee's failure to pay rent when due, if the failure continues for five (5) days after written notice has been given to Lessee.

(2) In the case of either Lessee or Lessor, failure to perform any other provision of this Lease if the failure to perform is not cured within thirty (30) days after written notice has been given to the defaulting party. If the default cannot be reasonably cured within thirty (30) days, the defaulting party shall not be in default of this Lease if the defaulting party commences to cure the default within the thirty (30) day period and diligently and in good faith continues to endeavor to cure the default.

Notices given under this Section 15 shall specify the alleged default and applicable lease provisions, and shall demand that the defaulting party perform the provisions of this Lease or pay the rent that is in arrears, as the case may be, within the applicable period of time, or quit the Premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless the non-defaulting party so elects in the notice.

The purpose of the notice requirements set forth in this Section 15 is to extend the notice requirements of the unlawful detainer statutes of California, and to provide the defaulting party a reasonable opportunity to cure the alleged default.

16. INDEMNITY. Lessee shall hold Lessor harmless and defend Lessor from and against any and all losses, damages, claims, or liability for any damage to any property or injury, illness or death of any person: (a) occurring in, on, or about the Premises, or any part thereof, arising at any time and from any cause whatsoever other than to the extent of the negligence or willful misconduct of Lessor, its employees or agents; and (b) occurring in, on, or about any part of the building other than the Premises, to the extent such damage, injury, illness or death shall be caused in whole or in part by the negligence or willful misconduct of Lessee, its agents, employees, invitees or licensees. Lessor shall hold Lessee harmless and defend Lessee from and against any and all losses, damages, claims, or liability for any damage to any property or injury, illness or death of any person occurring in, on, or about any part of the building to the extent such damage, injury, illness or death shall be caused by negligence or willful misconduct of Lessor, its employees or agents. The provisions of this Section shall survive the termination of this Lease with respect to any damage, injury, illness or death occurring prior to such termination.

17. ENTRY BY LESSOR. Lessee shall permit Lessor and its agents to enter the Premises at all reasonable times during normal business hours to: (a) inspect the same; (b) exhibit the same to prospective purchasers, lenders or tenants; (c) supply any service to be provided by Lessor to Lessee hereunder or to any other tenant of the building; (d) post notices of non-responsibility; and (e) make repairs required of Lessor under the terms hereof or make repairs to any adjoining space or utility services or make repairs, alterations or improvements to any other portion of the building; provided, however, that all such work shall be

done as promptly as reasonably possible and so as to cause as little interference to Lessee as reasonably possible, without any rebate of rent and without any liability to Lessee for any loss of occupation or quiet enjoyment of the Premises thereby occasioned provided, however, that if Lessor's repairs/alterations interrupt Lessee's operations for longer than five (5) consecutive business days, rent shall abate on the sixth (6th) business day until repairs are completed.

18. DESTRUCTION OF PREMISES. In the event of a partial destruction of the Premises during the term of this Lease, Lessor shall forthwith repair the same, provided such repair can be made within ninety (90) days under the laws and regulations of state, federal, or municipal authorities. If such repairs cannot be made within ninety (90) days, this Lease may be terminated by either party upon thirty (30) days written notice to the other party. A total destruction of the building in which the Premises are situated shall terminate this Lease.

19. ASSIGNMENT OR SUBLETTING. Lessee shall not assign this Lease, or any interest therein, and shall not sublet the Premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the agents, employees, and invitees of Lessee excepted) to occupy or use the Premises, or any portion thereof, without the prior written consent of Lessor, which consent shall not be unreasonably withheld. A consent to one assignment, subletting, occupation or use by another person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use by another person. Any such assignment or subletting without such consent shall be void, and at the option of Lessor, terminate this Lease. This Lease shall not, nor shall any interest therein, be assignable, as to the interest of Lessee, by operation of law, without the prior written consent of Lessor.

20. TERMINATION. Notwithstanding anything to the contrary in this Lease, this Lease may be terminated by either party upon one hundred eighty (180) days written notice to the other party.

21. SURRENDER OF LEASE NOT MERGER. The voluntary or other surrender of this Lease by Lessee, or mutual cancellation thereof, shall not work a merger, and shall, at the option of Lessor, terminate all or any existing subleases or subtenancies, or may, at the option of Lessor, operate as an assignment to it of any or all such subleases or subtenancies.

22. ATTORNEY'S FEES. In any action or proceeding brought by either party against the other under this Lease, the prevailing party shall be entitled to reasonable attorney fees and costs of suit, whether for outside counsel or the City Attorney.

23. NOTICES. Any and all notices, demands, requests, consents, approvals, or communications that either party desires or is required to give to the other party or any other person hereunder shall be in writing and either served personally or by prepaid registered or certified mail. Any notice, demand,

request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed to the other party at the address set forth below. Such notice shall become effective forty-eight (48) hours after the time of mailing, if mailed as provided herein. Notices given by personal service shall be effective when delivered. Each party shall have the right to designate a different address by notice given in conformance herewith.

If to Lessor:

Dale & Sophia Cook
4411 Barnett Ranch Road
Shingle Springs, CA 95682

If to Lessee:

City of Sacramento
Facilities and Real Property Mgmt.
5730 24th St., Bldg. 4
Sacramento, CA 95822
Attn: Asset Management

24. WAIVER. The waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same of any other term, covenant, or condition herein contained.

25. BINDING ON SUCCESSORS. The covenants and conditions herein contained shall, subject to the provisions of assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all of the parties hereto.

26. TIME. Time is of the essence of this Lease.

27. CONDEMNATION. In the event any entity with the power of eminent domain shall take the Premises, or any part thereof, actually using the power of eminent domain or negotiating under the threat of the use of the power of eminent domain, then:

(a) In the event of taking of the entire Premises, this Lease shall be terminated when title passes to the condemnor or when possession is obtained by the condemnor, whichever shall first occur; or

(b) In the event of taking of less than the entire Premises, Lessee shall have the right to terminate the Lease by giving 30 day advance written notice to Lessor.

Except for any taking of personal property or fixtures belonging to the Lessee, Lessor shall be entitled to the entire amount of the award without deduction for any estate or interest of the Lessee, and Lessee shall not assert any claim against Lessor or the condemning authority for any compensation because of such taking.

28. EXCUSABLE DELAYS. Any prevention, delay, or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials

or reasonable substitutes therefore, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, shall excuse performance by such party for a period equal to such prevention, delay or stoppage; provided, this Section 28 shall not excuse or delay Lessee's obligation to pay in timely fashion rent or any other monetary payments.

29. CAPTIONS. The title or headings to the Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of this Lease.

30. RULES AND REGULATIONS. Lessor shall have the right from time to time to promulgate rules and regulations and amendments thereto for the safety, care and cleanliness of the building in which the Premises are located and for the preservation of good order. Upon delivery of a copy of such rules and regulations or upon receiving written notice of such rules and regulations, together with a copy thereof, Lessee will comply with the rules and regulations, and a violation of any of them shall constitute a breach and default of this Lease. If there is a conflict between the Lease and any rule or regulation, the Lease shall prevail. Lessor shall make all reasonable efforts to enforce any such rules and regulations uniformly against all tenants in the building. No such rules and regulations shall require Lessee to pay additional rent under this Lease.

31. GOVERNING LAW. This Lease shall be construed and enforced in accordance with the laws of the State of California.

32. AMERICANS WITH DISABILITIES ACT. Lessor represents that Lessor has no actual knowledge regarding the noncompliance or alleged noncompliance of the Premises with the Americans With Disabilities Act of 1990 and its implementing regulations as required by applicable regulatory codes, nor has Lessor received notice of any such alleged violation. Except for a violation by the Lessor of the aforementioned representation, Lessor's obligation to repair or otherwise retrofit or modify the Premises in connection with an alleged ADA violation shall be subject to the terms and provisions of Section 8 above. In the event Lessee makes any alterations or improvements to the Premises, Lessee shall, at Lessee's sole cost and expense, be responsible for insuring that such alterations or improvements comply with all aspects of ADA and applicable regulatory codes related thereto. In addition, any alterations or improvements made by Lessee to the Premises shall comply with Section 12 above.

33. AUTHORIZATION. Each individual executing this Lease on behalf of any entity represents and warrants that he or she has been duly authorized to do so by the entity on whose behalf he or she executes this Lease and that said entity will thereby be obligated to perform the terms of this Lease.

34. **COUNTERPARTS.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

35. **ENTIRE AGREEMENT.** This Lease constitutes the entire agreement, and supersedes any prior written or oral agreements, between the parties with respect to the matters contained herein.

In WITNESS WHEREOF, Lessor and Lessee have executed this Lease as of the date first above written.

LESSOR:

DALE B. & SOPHIA L. COOK

By: *Dale Cook*
DALE B. COOK

By: *Sophia L. Cook*
SOPHIA L. COOK

LESSEE:

CITY OF SACRAMENTO,
a municipal corporation

By: _____

Print Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM

By: *Lan Wang*

Lan Wang

Senior Deputy City Attorney

ATTEST:

By: _____

City Clerk

EXHIBIT "A"

Pursuant to Section 7, LESSOR IMPROVEMENTS, Lessor, at its sole cost and expense, shall provide the following improvements:

1. Replace fans in all restrooms
2. Repair or replace hydraulic door closers



RESOLUTION NO. 2012-

Adopted by the Sacramento City Council

JUNE 12, 2012

LEASE AGREEMENT - 2107 & 2109 DEL PASO BLVD FOR THE NORTH SACRAMENTO/HAGGINWOOD LIBRARY

BACKGROUND

- A. The North Sacramento/Hagginwood Library has been operating in the Del Paso Heights community since 1986, at which time the City entered into a lease agreement (City Agreement No. 86097) for the property located at 2107 & 2109 Del Paso Blvd with Dale B. & Sophia L. Cook (Landlord) to establish an approximate 4,000 square foot community library. Over the years the lease has been amended five times. In order to update the language of the lease, add provisions to protect the City's interests, and minimize the City's risk, the City and Landlord agree to enter into a new five-year lease with a three-year renewal option, subject to City Council approval.
- B. The lease expired March 18, 2012; however, the City has continued to occupy the premises and has paid \$20,186 in lease payments.
- C. The City has a continuing need to provide library services at the North Sacramento/Hagginwood Library.

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

- Section 1. The City Manager or City Manager's designee is hereby authorized to execute a lease agreement for property located at 2107 & 2109 Del Paso Blvd for the North Sacramento/Hagginwood Library.
- Section 2. Prior lease payments made to the Landlord for the property located at 2107 & 2109 Del Paso Blvd in the amount of \$20,186 for the continued occupancy of the library after the lease expired on March 18, 2012 are hereby ratified.