REPORT TO COUNCIL
City of Sacramento

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

CONSENT
July 24, 2007

Honorable Mayor and
Members of the City Council

Title: Parking Agreement: REA Building

Location/Council District: Sacramento Valley Station/Council District 1

Recommendation: Adopt a **Resolution** authorizing the City Manager to execute a parking agreement with Carson Development for 44 parking spaces located adjacent to the REA building at Sacramento Valley Station.

Contact: Howard Chan, Parking Services Manager, 808-7488

Presenters: None

Department: Transportation

Division: Parking Services

Organization No: 3461

Description/Analysis

Issue: On December 28, 2006, the City of Sacramento assumed control and operation of most of the on-site surface parking lots serving the Sacramento Valley Station. Carson Development is the owner of the REA building, located next to the historic train depot and 44 parking spaces directly adjacent to its building. By operating those parking spaces, the City will be able to more efficiently serve the tenants of the REA building and visitors to the Sacramento Valley Station.

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

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

Rationale for Recommendation: The City of Sacramento currently operates most of the on-site surface parking lots serving Sacramento Valley Station. By assuming operation of Carson Development's 44 spaces, the City will be able to more effectively serve visitors and businesses that utilize the Sacramento Valley Station parking lots.

Financial Considerations: The City of Sacramento will pay Carson Development $125 per space per month. Total rent expenditures for the initial 5-year term will be $330,000. Based on current demand for parking at Sacramento Valley Station, annual revenue earned from the operation of these parking spaces is expected to offset all rent obligations.

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

Respectfully Submitted by: _____
Howard Chan
Parking Services Manager

Approved by: _____
Jerry Way
Director of Transportation

Recommendation Approved:

_____
RAY KERRIDGE
for City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

PARKING AGREEMENT: REA BUILDING

BACKGROUND

A. On December 26, 2008, the City of Sacramento assumed control and operation of most of the on-site surface lots surrounding the historic train depot at Sacramento Valley Station.

B. Carson Development is the owner the REA building which is located adjacent to the train depot. They recently completed an extensive rehabilitation of the building and have filled several vacancies with retail tenants.

C. Carson Development also owns 44 parking spaces next to the REA building. The City has agreed to operate those spaces as part of its overall operation of surface lots serving the Sacramento Valley Station.

D. The City of Sacramento will pay Carson Development $125 per space per month. Total rent expenditures for the initial 5-year term will be $330,000. Based on current demand for parking at Sacramento Valley Station, annual revenue earned from the operation of these parking spaces is expected to offset all rent obligations.

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 Carson Development for 44 spaces located next to the REA building at Sacramento Valley Station. The term is five years with a 5-year option. The City will pay Carson Development $125 per space per month and retain any net income it earns from sales of the spaces.