

RESOLUTION NO. 2007-566

Adopted by the Sacramento City Council

July 31, 2007

ADMINISTRATIVE MATTER- REA BUILDING AGREEMENT CLARIFICATION

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. REA Master Tenant, LP 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. REA Master Tenant, LP 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. Each month the City of Sacramento will pay REA Master Tenant, LP \$125 per space for a total of \$66,000 per year for a total of \$330,000 for the initial 5-year term. 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.
- E. On July 24, 2007 Council adopted Resolution 2007-539 authorizing the City Manager to execute a parking agreement with Carson Development for 44 parking spaces adjacent to the REA Building located at Sacramento Valley Station. However, two weeks prior to the July 24 Council meeting it was determined the proper contracting party should be REA Master Tenant LP, not Carson Development. Subsequently, the agreement was corrected to reflect this change; however, the Council Report and Resolution was not.

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 REA Master Tenant LP 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 REA Master Tenant, LP \$125 per space per month and the City retains any net income it earns from sales of the spaces.
- Section 2. Repeal Resolution 2007-539 as that resolution incorrectly identified Carson Development as the contracting party.

Adopted by the City of Sacramento City Council on July 31, 2007 by the following vote:

Ayes: Councilmembers, Cohn, Hammond, McCarty, Pannell, Sheedy, Tretheway, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: Councilmembers Fong and Waters.



Heather Fargo, Mayor

Attest:


Shirley Concolino, City Clerk