



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2671
www. CityofSacramento.org

CONSENT
January 24, 2006

Honorable Mayor and
Members of the City Council

Subject: Lease Agreement with Planned Parenthood Mar Monte

Location/Council District: 1125 10th Street, Capitol Garage, Central City (District 1)

Recommendation: Adopt a Resolution authorizing the City Manager to execute a lease agreement with Planned Parenthood Mar Monte for space in the City's Capitol Garage, located at 1125 10th Street.

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

Presenters: None

Department: Transportation

Division: Parking Services

Organization No: 3461

Summary: Subject to City Council approval, staff has negotiated a new 3-year lease agreement with Planned Parenthood Mar Monte for their current site at 1125 10th Street in Capitol Garage.

Committee/Commission Action: None

Background Information: In July 1993, Planned Parenthood signed a 7-year lease agreement with the City of Sacramento to open a reproductive health care clinic in the City's Capitol Garage, located at 1125 10th Street. That original agreement also had a 3-year extended term.

To allow them to continue their operations at Capitol Garage, a new lease agreement has been negotiated which will have an initial term of 3-years with an option to extend for an additional 5-years.

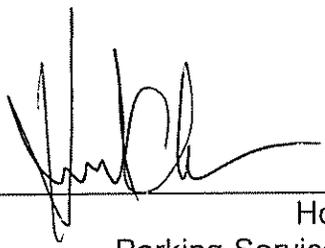
Financial Considerations: Monthly rent will start at \$4,131.05, which is based on \$1.85 per square foot for 2,233 square feet of rentable space (the square foot rate is based on a survey of comparable retail space in the area). Rent will increase 2% per year during the initial and extended terms. Total rent to be collected during the initial term will be \$151,708. Total rent to be collected during the extended term would be \$273,768.

Because Planned Parenthood is an existing tenant and no construction improvements are scheduled, a tenant improvement allowance is not being offered as part of this lease agreement.

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".

Policy Considerations: This agreement is consistent with the City of Sacramento's Strategic Plan through the promotion of economic vitality by supporting the development and success of new businesses in Sacramento.

Emerging Small Business Development (ESBD): N/A

Respectfully Submitted by: 
Howard Chan
Parking Services Manager

Approved by: 
Fran Halbakken
Interim Director, Department of Transportation

Recommendation Approved:

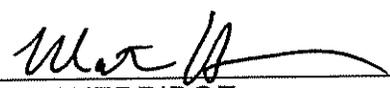

RAY KERRIDGE
Interim City Manager

Table of Contents:
Pg 1-2 Report
Pg 3 Resolution

RESOLUTION NO.

Adopted by the Sacramento City Council

LEASE AGREEMENT WITH PLANNED PARENTHOOD MAR MONTE

BACKGROUND

- A. In July 1993, Planned Parenthood signed a 7-year lease agreement with the City of Sacramento to open a reproductive health care clinic in the City's Capitol Garage, located at 1125 10th Street. That original agreement also had a 3-year extended term.
- B. To allow them to continue their operations at Capitol Garage, a new lease agreement has been negotiated which will have an initial term of 3-years with an option to extend for an additional 5-years.
- C. Monthly rent will start at \$4,131.05, which is based on \$1.85 per square foot for 2,233 square feet of rentable space (the square foot rate is based on a survey of comparable retail space in the area). Rent will increase 2% per year during the initial and extended terms. Total rent to be collected during the initial term will be \$151,708. Total rent to be collected during the extended term would be \$273,768.
- D. Because Planned Parenthood is an existing tenant and no construction improvements are scheduled, a tenant improvement allowance is not being offered as part of this lease agreement.

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 lease agreement with Planned Parenthood Mar Monte for its existing site in Capitol Garage, located at 1125 10th Street.