



CITY OF SACRAMENTO

TRAFFIC ENGINEERING DIVISION

1023 J STREET - SUITE 202

SACRAMENTO, CALIF. 95814

TELEPHONES (916)

TRAFFIC ENGINEERING 449-5307

OFF-STREET PARKING 449-5354

ON-STREET PARKING 449-5644

January 3, 1983

CITY MANAGER'S OFFICE
RECEIVED
JAN 5 1983

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Operating Agreement for Parking Lots J2 and J3

SUMMARY

This report recommends execution of the attached Agreement between the City and Sutter Community Hospitals for the City's continued operation of Parking Lots J2 and J3 (Capitol Avenue, K, 29th and 30th Streets).

BACKGROUND

On September 21, 1982, the City Council rejected a staff recommendation for a 5-year renewal of the Agreement between the City and Caltrans in order to provide Sutter Community Hospitals the opportunity to negotiate with Caltrans for lease of the property. At that time, the Hospital agreed to negotiate an operating Agreement with the City in order that the City could continue to operate the two parking lots and continue to derive the net benefit of paying overhead that would otherwise be absorbed as a net reduction in revenues.

FINANCIAL DATA

The attached Letter Agreement makes provisions for the City to continue with the same mode of operation of the parking lots, with a payment of \$2,000 per month from Sutter Community Hospitals with the intent that City will derive adequate revenues to pay all costs associated with the operation of Lots J2 and J3. The Agreement is effective October 1, 1982, and on October 1 of each year thereafter the amount paid to the City by the Hospital shall be re-evaluated to assure the City shall incur no loss or surplus. All revenues from both transient and monthly revenue on Lot J2 shall continue to be deposited by the City as in the past.

APPROVED
BY THE CITY COUNCIL

JAN 11 1983

OFFICE OF THE
CITY CLERK

AC 82073



City Council

-2-

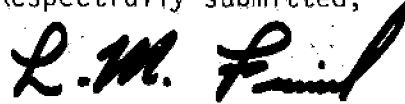
January 3, 1983

This Agreement will be in effect until the parking lots are required for construction of new parking facilities for the Sutter Community Hospitals' expansion project. The City may cancel the Agreement by giving 60 days notice.

RECOMMENDATION

It is recommended that the Council authorize execution of the attached operating Agreement.

Respectfully submitted,



L. M. Frink
Traffic Engineer

RECOMMENDATION APPROVED:


Walter J. Slipe City Manager

LMF:JMM/mf
Attachment

January 11, 1983
District 4

December 29, 1982

Charles K. Van Sluyter, Administrator
Sutter General Hospital
2820 L. Street
Sacramento, Ca. 95816

Dear Mr. Van Sluyter:

The City of Sacramento has relinquished its 5-year lease renewal with Caltrans for parking lots J2 (K, L, 28th and 29th Streets) and J3 (L, 29th, 30th Streets and Capitol Avenue). This was done in order to allow Sutter Community Hospitals to lease the property. The City has agreed to relinquish the lease on the condition that the City will continue as operator of the parking lot until construction of new facilities on J2 and J3 begins, according to the following:

1. This agreement between the City of Sacramento and Sutter Community Hospitals shall be effective October 1, 1982.
2. The City shall continue to issue monthly permit access cards to Sutter Community Hospital employees according to the same policies and procedures that were in effect prior to this agreement and defined in Exhibit "A" (Items 2, 4, and 5 only), attached hereto, not to exceed a total of 1,100 monthly permit cards. In addition, the City shall also continue to issue monthly permit cards for access to Lot J2 only to persons other than hospital employees, not to exceed a total of 60 permits.
3. The City shall continue to operate, maintain and enforce lots J2 and J3 in the same mode and with the same procedures and policies that the City has used under its lease with Caltrans, including the collection of parking fees and the maintenance of parking control equipment, landscaping, light fixtures, pavement, and all other parking lot improvements. The standard of maintenance shall be that which has prevailed in the past.
4. The City shall continue to pay all operating costs, maintenance costs, and administrative costs incurred and associated with the operation of J2 and J3 as it has done prior to this agreement.
5. The City shall continue to retain all fees collected for daily, transient parking and monthly permit parking in lot J2 as it has done prior to this agreement.

8

6. The Hospital shall pay the City \$2,000 per month during the period that the City operates J2 and J3 under this agreement, and no monthly permit fees or deposits shall be paid by the Hospital for monthly permit parking in lot J3. City shall, however, continue to issue, control and enforce monthly permit access cards for lot J3 under the same policies and procedures as used by City when City was lessee for J2 and J3. On October 1, 1983, and on October 1st of each year thereafter, the amount paid to City by Hospital shall be reevaluated in order to assure that City shall incur no surplus/loss as a result of its operation of lots J2 and J3.
7. It is the intent of this agreement to provide that the City shall not incur a monetary loss as a result of its continuing operation of lots J2 and J3 pursuant to this agreement. It is estimated that revenues produced by current fees and payment by the Hospital pursuant to paragraph 6 above will result in no surplus/loss by City. City shall have the right, however, to increase the hourly, daily and monthly parking fees for lot J2 at any time by resolution of the City Council. Any additional revenue produced thereby shall be taken into account at the time of any review pursuant to paragraph 6 and the necessary adjustment shall be made in the amount to be paid to City by Hospital as required to result in no surplus/loss to City as a result of its operation of lots J2 and J3.
8. The City shall relinquish its use and operation of the parking lots upon 30 days written notice that the lots are required for construction of new parking facilities on lots J2 and J3, and Sutter Community Hospitals agrees that such notice shall not be given in excess of 30 days prior to the inception of said construction. At the end of the 30-day period of notice, the City shall remove and retain all parking control equipment, related components, and kiosks.
9. Sutter Community Hospitals shall assume all possessory interest taxes that are payable as a result of its lease of lots J2 and J3.
10. The City may cancel this agreement by giving 60 days written notice to Sutter Community Hospitals. All parking lot improvements in J2 and J3 shall be abandoned by the City, except all parking control equipment, related components, and kiosks, which shall be removed and retained by City at City's expense.


Please sign below to indicate Sutter Community Hospitals agreement to these terms.

Very truly yours,

J. Mark Morgan
Parking Manager

SUTTER COMMUNITY HOSPITALS

By



Date

12/30/82



EXHIBIT "A"

April 29, 1980

Mr. V. S. Stenberg
Personnel Director
Sutter Community Hospitals of Sacramento
2820 L Street
Sacramento, CA 95816

Dear Scott:

Pursuant to our telephone conversation of April 28, 1980, the procedures for changing over to new monthly parking cards will be as follows:

1. City will provide hospital with a number of new cards equal to the number of old cards now in use.
2. Hospital will notify all card users that by June 1, 1980 all old cards must be exchanged for new cards. A \$5.00 refundable deposit will be charged for each new card issued. Exchange and deposit will be done at hospital facilities. Hospital will forward all old returned cards to City. City will invoice hospital for the deposits on all new cards.
3. Effective June 1, 1980 City will invoice hospital for all cards in use by hospital employees on a pre-card basis.
4. Hospital will request new cards from City as needed.
5. City will deliver new cards requested once per week. Monthly fees will be prorated at 1/2 the going rate if sold anytime past the 15th day of the month. If sold before the 15th day of the month, the full monthly fee will be due at time City representative delivers new cards at request of hospital, then hospital will return any returned cards on hand from cancellations.
6. If a card is lost, or damaged beyond use, a \$5.00 replacement fee will be charged. In addition, there will be a \$5.00 deposit charged for the new replacement card.
7. Refunds of \$5.00 deposits for returned cards will be made to hospital by City if returned cards are in a usable, undamaged condition.

8

Mr. V. S. Stenberg

-2-

April 29, 1980

You have indicated that you want a draft sublease from the City, for both parking lots between 29th, 30th, K Streets and Capitol Avenue. I will proceed with drafting a sublease for your review. Any such sublease will be subject to the approval of Caltrans. I have written to Caltrans, requesting that they advise me accordingly.

Very truly yours,

J. Mark Morgan
Assistant Parking Director

JMM/mf

cc: Ozzie Granseth

RESOLUTION NO. 83-016

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF SACRAMENTO AND SUTTER COMMUNITY HOSPITALS FOR OPERATION OF PARKING LOTS J2 AND J3

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the City Manager is hereby authorized to execute that certain Agreement between the City of Sacramento and Sutter Community Hospitals for operation of Parking Lots J2 and J3.

MAYOR

ATTEST:

CITY CLERK

APPROVED
BY THE CITY COUNCIL

JAN 11 1983

OFFICE OF THE
CITY CLERK

January 25, 1983

Charles K. Van Sluyter, Administrator
Sutter General Hospital
2820 L Street
Sacramento, CA 95816

Dear Mr. Van Sluyter:

On January 11, 1983, the Sacramento City Council adopted a resolution authorizing the execution the agreement for operation of Parking Lots J2 and J3.

Enclosed, for your records, is one fully certified copy of said agreement and authorizing resolution.

Sincerely,

Lorraine Magana
City Clerk

LM/jmb/8
Enclosure

cc: Traffic Engineering