



REPORT TO COUNCIL

City of Sacramento

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

Consent
July 25, 2006

Honorable Mayor and
Members of the City Council

Title: 13th & I Parking Agreement

Location/Council District: 1231 I Street/District 3

Recommendation: Adopt the attached **Resolution** authorizing the City Manager to execute a parking agreement with Fire Stations Suites, Incorporated to provide spaces at the City-owned Memorial Garage to accommodate parking needs for the building located at 1231 I Street.

Contact: Howard Chan, 808-7488

Presenters: None

Department: Transportation

Division: Parking

Organization No: 3461

Description/Analysis

Issue: 13th & I Associates, the owner of the building located at 1231 I Streets, is currently rehabilitating the interior of the building in preparation for creating individually owned/saleable office condominium units and is planning to sell the building to Fire Station Suites, Incorporated. To meet funding and parking requirements, 13th & I Associates has requested the City enter into a long-term parking agreement to provide parking at the City's Memorial Garage located at 14th & H Streets

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

Environmental Considerations: This project is exempt from the California Environmental Quality Act (CEQA) under Section 15301, "Operation of existing

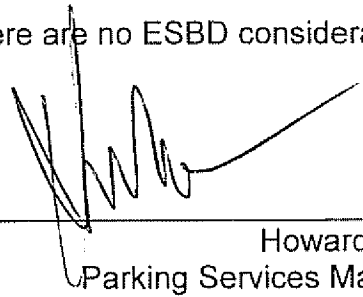
public structures or facilities involving no expansion of use".

Rationale for Recommendation: As part of the planning approval process, the City requires developers to obtain a source of long-term parking for their projects. Many lenders also make long-term parking a requirement for funding. By approving the attached agreement the City will secure a long-term source of parking revenue and facilitate the development projects in the downtown area.

Financial Considerations: Based on 100 parking spaces at Memorial Garage and the current monthly rate of \$135, the total annual revenue collected under this agreement will be up to \$162,000.

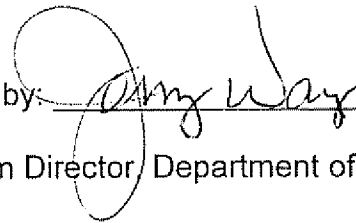
Emerging Small Business Development (ESBD): There are no ESBD considerations contemplated with the requested action.

Respectfully Submitted by: _____



Howard Chan
Parking Services Manager

Approved by: _____



Jerry Way
Interim Director, Department of Transportation

Recommendation Approved:



RAY KERRIDGE
City Manager

for

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RESOLUTION NO.

Adopted by the Sacramento City Council

**AGREEMENT WITH FIRE STATION SUITES, INC. FOR PARKING SPACES AT
MEMORIAL GARAGE**

BACKGROUND

- A. 13th & I Associates is the owner of the building located at 1231 I Street. After the building was developed in 1984 it became the site of a City Fire Station and the City's Planning Department.
- B. When the City moved in, a parking variance was granted that required 100 parking spaces be leased at the adjacent Lot E (currently, the parking garage for the Sheraton Hotel). However, when the City moved out of 1231 I Street, the operators of Lot E leased the 100 spaces to other clients.
- C. 13th & I Associates is now in the process of selling 1231 I Street to Fire Station Suites Incorporated (the sale is expected to be completed during the summer of 2006) which plans to rehabilitate the interior of the building for the purpose of creating individually owned/saleable office condominium units. The City will continue to own the fire station.
- D. To fulfill City development requirements and because the original 100 spaces are no longer available at Lot E, the City has negotiated a parking agreement with Fire Station Suites, Inc. for the use of 100 spaces at Memorial Garage. The initial term of the agreement will be for a period of 11 years with two 5-year options. Fees will be equal to the prevailing market rate charged at Memorial Garage.

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

- Section 1. The City Manager is authorized and directed to execute a parking agreement with Fire Station Suites, Inc. for up to 100 parking spaces at Memorial Garage.