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# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

May 6, 1980

CITY MANAGER'S OFFICE  
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CITY GOVERNING BOARD  
PHILLIP L. ISENBERG, MAYOR  
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Housing Authority of  
the City of Sacramento  
915 I Street  
Sacramento, California 95814

Honorable Members in Session:

SUBJECT: Extension of 615 S Street Maintenance Warehouse  
Lease

COUNTY GOVERNING BOARD  
ILLA COLLIN  
C. TOBIAS (TOBY) JOHNSON  
JOSEPH E. (TED) SHEEDY  
SANDRA R. SMOLEY  
FRED G. WADE

### SUMMARY

Attached is a resolution by which you approve a two-year extension of the Housing Authority's lease of its maintenance warehouse at 615 S Street. The lease extension with the owner, John F. Otto, calls for rent of \$4,000 per month.

EXECUTIVE DIRECTOR  
WILLIAM G. SELINE

P.O. Box 1834  
SACRAMENTO, CA 95809  
630 I STREET  
SACRAMENTO, CA 95814  
(916) 444-9210

### BACKGROUND

The warehouse, consisting of 16,300 square feet of warehouse space plus 1,380 square feet of office space, houses almost all of the Housing Authority's maintenance operation, plus the purchase and stores departments. It has been leased from Mr. Otto since 1969. The current lease expires June 1, 1980.

### FINANCIAL DATA

The staff has explored alternatives to continuing this lease, including purchase of a site, new construction and leasing another site. No downtown area alternative is both as economical and as flexible as this proposed two-year lease extension with the right of the Housing Authority to terminate the lease on six months' notice.

**APPROVED**  
SACRAMENTO HOUSING AUTHORITY

Date 5/13/80

May 13, 1980

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Housing Authority of  
the City of Sacramento  
May 6, 1980  
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The rent, at \$4,000 per month (23¢ per square foot) is below the range of market rents for this type and location of property. Quoted rents for similar properties have ranged up from 25¢ per square foot for warehouse space and 50¢ per square foot for office space.

The lease renewal would also save the cost of moving the maintenance, purchase and stores operations. Since 1969, the rent for the warehouse has been \$1,600 per month, an amount which has become unacceptably low to the owner.

## VOTE OF COMMISSION

At its meeting of May 5, 1980, the Sacramento Housing and Redevelopment Commission recommended adoption of the attached resolution by the following vote:

AYES: Fisher, Luevano, A. Miller, Teramoto, B. Miller


NOES: Serna

ABSENT: Coleman, Knepprath, Walton


## RECOMMENDATION

It is my recommendation that you adopt the attached resolution.

Respectfully submitted,

  
WILLIAM G. SELINE  
Executive Director

Transmittal to Council:

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WALTER J. SLIPE  
City Manager

Contact Person: Randy Wagaman

RESOLUTION NO. 1797

Adopted by the Housing Authority of the City of Sacramento

May 13, 1980

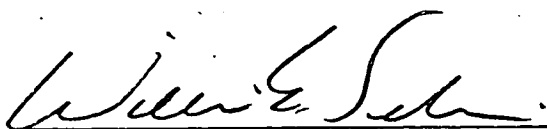
APPROVING LEASE EXTENSION FOR 615 S STREET  
MAINTENANCE WAREHOUSE

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF  
SACRAMENTO:

1. The Executive Director is authorized to enter into a two-year lease extension for the continued lease of the 615 S Street maintenance warehouse with John F. Otto, at a rental of \$4,000 per month.

\_\_\_\_\_  
CHAIRMAN

ATTEST:

  
\_\_\_\_\_  
SECRETARY

APPROVED  
SACRAMENTO HOUSING AUTHORITY

Date 5/13/80