



9

OFFICE OF THE
CITY MANAGER

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 101
915 I STREET
SACRAMENTO, CA
95814-2684

April 11, 1990

916-449-5704
FAX 916-449-8618

Transportation & Community Development &
Budget & Finance Committees
Sacramento, California

Honorable Members In Session:

Subject: **Lease of Office Space for the Department of Employee Relations, Suite 201,
926 J Street**

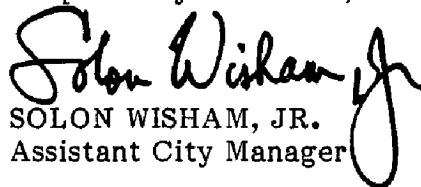
SUMMARY

The attached report recommends that the City Council, by resolution, authorize the City Manager to execute a lease with the 926 J Street Partnership for Suite 201, 926 J Street consisting of approximately 2,037 square feet for the purpose of providing office space for the Department of Employee Relations.

RECOMMENDATION

It is recommended that the Transportation & Community Development and Budget and Finance Committees review and recommend acceptance of the attached report and adoption of the resolution by the full Council.

Respectfully submitted,


SOLON WISHAM, JR.
Assistant City Manager

Contact Persons:

Solon Wisham, Jr.
Assistant City Manager
449-5704

Steve Lakich
Director/Employee Relations
49-5424

District 1
April 17, 1990



OFFICE OF THE
CITY MANAGER

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 101
915 I STREET
SACRAMENTO, CA
95814-2684

April 11, 1990

916-449-5704
FAX 916-449-8618

City Council
Sacramento, California

Honorable Members In Session:

Subject: Lease of Office Space for the Department of Employee Relations, Suite 201,
926 J Street

SUMMARY

This report recommends that the City Council, by resolution, authorize the City Manager to execute a lease with the 926 J Street Partnership for Suite 201, 926 J Street consisting of approximately 2,037 square feet for the purpose of providing office space for the Department of Employee Relations.

BACKGROUND

Recent budget augmentations were authorized by the City Council to support the expanding needs of the Department of Law. Additional office space within the City owned Plaza Building is required. Adequate space for the expansion is available only if the suite occupied by the Department of Labor Relations is consolidated with the adjoining space occupied by the Law Department. The relocation of the Department of Labor Relations becomes the most cost effective and practical method of meeting the space needs of the Department of Law.

The City's Real Estate Division has located office space within the 926 J Building which meets the specifications of the Department of Labor Relations and continues to focus City services within a convenient distance to City Hall.

The City proposes to lease Suite 201, consisting of approximately 2,037 square feet, located within the 926 J Street Building. The building is located on the southwest corner of the 10th & J Streets intersection near City Hall and other City offices.

The term of the proposed lease is from April 23, 1990 through April 30, 1995. The City will have the right to renew the lease for another five years on the same terms and percentage of upward adjustment in rental as provided in the original lease.

The Lessor has agreed to complete the necessary remodeling to meet the City's specifications. The rental amounts are well within the leasing objectives of the City. The agreement is a full service agreement which includes utilities and custodial services. The specifics on the lease amounts are covered in the financial section of this report.

FINANCIAL DATA

The term of the lease is five years based on monthly payments beginning at \$1.05 a square foot for the first two years, \$1.10 a square foot of the next two years, and \$1.15 for the final year. The rent payments are as follows:

	<u>Period</u>	<u>Monthly Rent</u>
1.	April 23, 1990 through April 30, 1990	\$ 499.06
2.	May 1, 1990 through April 30, 1992	\$2,138.85
3.	May 1, 1992 through April 30, 1994	\$2,240.70
4.	May 1, 1994 through April 30, 1995	\$2,342.55

Payment is due in advance, on the first calendar day of each month.

The 1989-90 cost for the move is \$22,743.00. This includes space rental and one time moving costs, telephone and furniture. The furniture costs are for replacing built-in cabinetry remaining at the old location and for outfitting the new location with a necessary conference table, chairs and other equipment items. The 1989-90 costs are itemized as follows:

	<u>Item</u>	<u>1989-90 Cost</u>
1.	Rent	\$ 4,768.00
2.	Moving, design, furniture	\$12,975.00
3.	Telephone	\$ 5,000.00
	Total	<u>\$22,743.00</u>

Funds for the 1989-90 costs are available from the midyear budget cut restorations.

POLICY CONSIDERATIONS

The recommendation contained herein is consistent with the City policy to provide for the office needs of City departments classified as general government within the area referred to as the Civic Center Complex in close proximity to City Hall.


MBE/WBE EFFORTS

Not applicable.

RECOMMENDATIONS

It is recommended that the City Council, by resolution, augment the 1989-90 Employee Relations budget by \$22,743.00 and authorize the City Manager to execute an agreement between the City and the 926 J Street Partnership for the lease of approximately 2,037 square feet on the second floor of the 926 J Street Building referred to as Suite 201 to serve as the office space required for the Department of Labor Relations.

Respectfully submitted,


SOLON WISHAM, JR.
Assistant City Manager

RECOMMENDATION APPROVED:

WALTER J. SLIPE
City Manager

Contact Persons:

Solon Wisham, Jr.
Assistant City Manager
449-5704

Steve Lakich
Employee Relations Director
449-5424

District 1
April 17, 1990

ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AUGMENTING THE 1989-90 EMPLOYEE RELATIONS BUDGET BY \$22,743.00 AND APPROVAL OF A LEASE AGREEMENT BETWEEN THE CITY AND THE 926 J STREET PARTNERSHIP FOR SUITE 201, 926 J STREET TO PROVIDE OFFICE SPACE FOR THE DEPARTMENT OF EMPLOYEE RELATIONS

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

1. The 1989-90 Employee Relations budget is augmented by \$22,743.00 from the 1989-90 midyear budget cut restoration.
2. The City Manager is hereby authorized to execute an agreement with the 926 J Street Partnership for the lease of 926 J Street, Suite 201 to provide office space for the Department of Employee Relations.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____