



CITY OF SACRAMENTO

June 2nd, 1981

REAL ESTATE AND STREET ASSESSMENTS DIVISION
915 I STREET
CITY HALL ROOM 207

SACRAMENTO, CALIFORNIA 9581
TELEPHONE (916) 449-5625

CITY MANAGER'S OFFICE

RECEIVED
MAY 27 1981

IRVIN E. MORAES
REAL ESTATE SUPERVISOR

City Council
Sacramento, California

Honorable Members In Session:

SUBJECT: Leasing of the Third Floor of the Financial Building Located at the Northeast Corner of 10th and J Streets

SUMMARY

Adoption of a Resolution authorizing the execution of a five year lease between the City and Larry and Maryanne Ingemanson, et al, which will provide necessary office space for the City Planning Department.

BACKGROUND INFORMATION

In March of 1980, the City Planning Department moved to 725 J Street to allow for the remodeling of City Hall. At the time this was the only space available at a rental rate which was acceptable to the City.

Since the time of occupancy of the building by City personnel, there have been continuing problems with hearing and air conditioning not working and sewer odor escaping, which has caused unacceptable working conditions for the employees within the building. Finally, these conditions led to a termination of the lease by agreement between the Lessor and the City.

The Real Estate Division was asked to find new office space close to City Hall for the Planning Department. The Planning Department needed at least 6,000 square feet. We have found that office space around City Hall is leasing for \$.85 per square foot and up (see attached list of space available).

Around the first of this month, Mrs. Ingemanson called and informed our Real Estate Division that the third floor of the Financial Building would be available to the City around July 1st, 1981 and if we were interested she would like to lease it to the City as we occupy the remaining floors of the building.

APPROVED
BY THE CITY COUNCIL

JUN 2 - 1981

OFFICE OF THE
CITY CLERK

AG 80225

It is proposed that we lease the third floor which comprises 6,015 square feet and the basement area which has an additional 505 square feet of office space and approximately 5,000 square feet of storage space.

One great advantage to this proposed move is that it will move Planning into a building which already houses three other City divisions and will better serve the public by their consolidation.

There are other locations as you can see by the attached list for approximately the same rental rate but are not as close to City Hall, do not meet our space needs or are not ready for occupancy as they are still under construction or remodeling.

FINANCIAL DATA

It is proposed that we lease said third floor and basement with a monthly rental rate being \$7,095.25. This is broken down as follows:

Third floor - 6,015 sq.ft. @ \$1.10/sq.ft. =	\$ 6,616.50
Basement offices - 505 sq.ft. @ \$.75/sq.ft. =	378.75
Basement storage - 5,000 sq.ft. @ LUMP SUM =	100.00
	<hr/>
	\$ 7,095.25

The yearly cost of this lease will be \$85,143.00 and the total for the five years is \$425,571.00.

RECOMMENDATION

It is recommended that the attached Resolution authorizing and directing the City Manager and City Clerk to execute a Lease between the City of Sacramento and Larry D. and Maryanne Ingemanson, Quen and Suzanna Young, be adopted.

Respectfully submitted,



R. H. Parker
City Engineer

Recommendation Approved

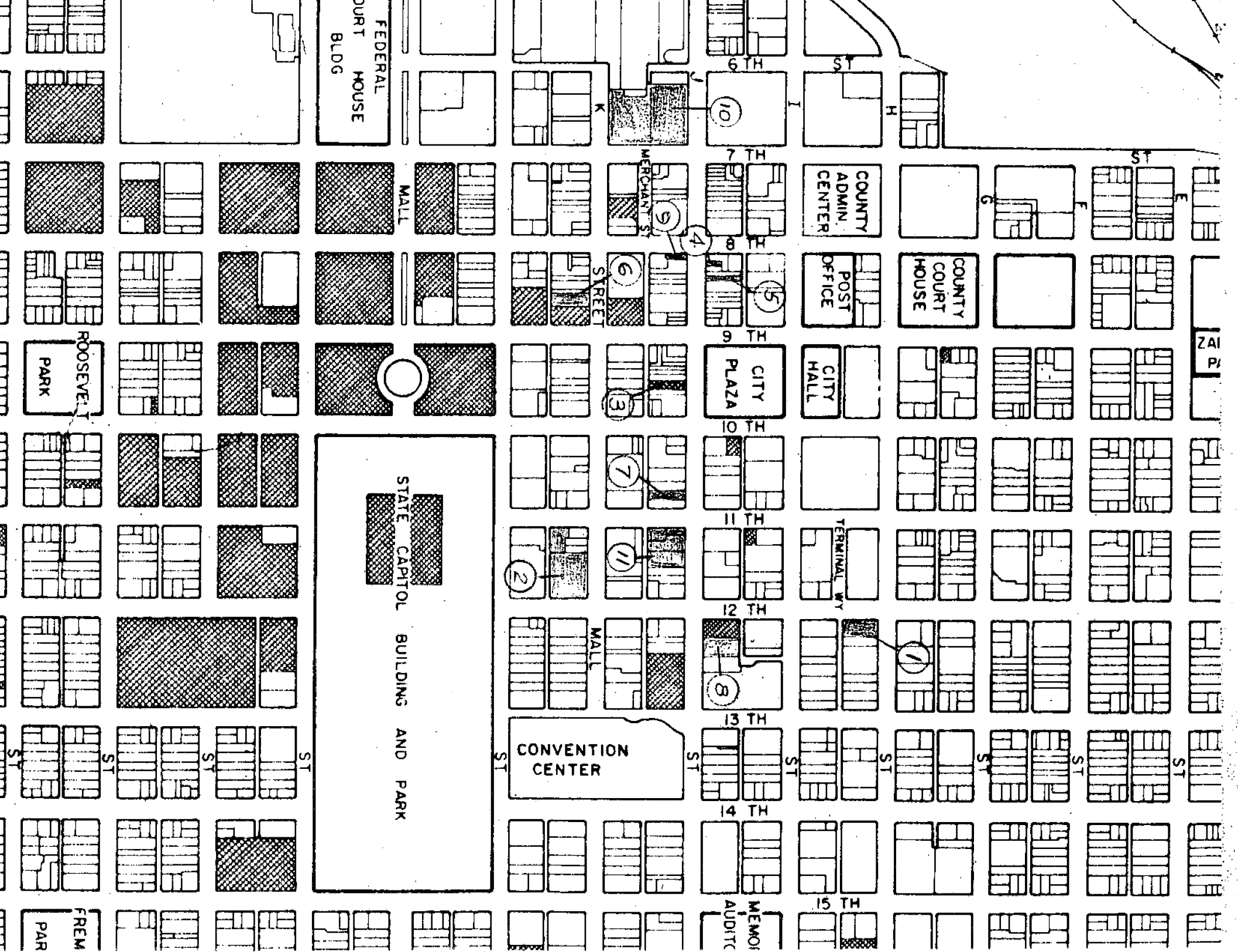


Walter J. Slipes
City Manager

June 2nd, 1981
DISTRICT NO. 1

SUMMARY OF OFFICE SPACE
AVAILABLE IN VICINITY OF CITY HALL

COMP. NO.	LOCATION OR ADDRESS	AREA	COST PER SQUARE FOOT
1	12th & H Streets, 5th floor	8,000 sq. ft.	\$1.25 - \$1.40
2	12th & K Streets (Weinstock's - being remodeled)		\$1.05 - \$1.10
3	918 J Street	4,000 sq. ft.	\$0.95 - \$1.09
4	805 J Street (being remodeled)	3,200 sq. ft.	\$0.65 plus utilities
5	815 J Street (being remodeled)	5,000 sq. ft.	\$0.65 plus utilities
6	818 K Street, 5th floor (Kress)	8,000 sq. ft.	\$1.05 - \$1.10
7	1024 J Street (Martyr & Curry)	8,600 sq. ft.	\$1.10 - \$1.20
8	1209 J Street (Doles - being remodeled)	10,600 sq. ft.	\$0.85 - \$0.90 plus cost of any partitions
9	SE Corner 8th & J Streets, ground floor	3,000 sq. ft.	No price quoted
	basement	2,500 sq. ft.	
	2nd floor	400 sq. ft.	
10	660 J Street (Liberty House)	80,000 sq. ft.	\$1.25 - \$1.50
11	1100 J Street	40,000 sq. ft.	\$1.54 - \$.170



FEDERAL
COURT HOUSE
BLDG

MALL

COUNTY
ADMIN.
CENTER

COUNTY
COURT
HOUSE

POST
OFFICE

CITY
HALL

CITY
PLAZA

TERMINAL
WAY

CONVENTION
CENTER

MEMORIAL
AUDITORIUM

ROOSEVELT
PARK

STATE CAPITOL
BUILDINGS AND PARK

FREMONT
PARK

ZAI
P

RESOLUTION NO. 81-383

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

JUNE 2, 1981

AUTHORIZING CITY MANAGER AND CITY CLERK
TO EXECUTE LEASE FOR FINANCIAL BUILDING

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

That the City Manager and City Clerk be authorized to execute a lease between Larry D. Ingemanson, Maryanne Ingemanson, Quen Young and Suzanna Young, as Lessors, and City of Sacramento, as Lessee, for the third floor and basement of that certain parcel of property commonly known as The Financial Building. Said parcel of real property is more particularly described as follows:

The South 100 feet of Lot 8 in the Block bounded by I, J, 10th and 11th Streets, as shown on the official plat of the City of Sacramento.

Said lease is to have a term of 5 years at a monthly rental of \$7,095.25.

MAYOR

CITY CLERK

APPROVED
BY THE CITY COUNCIL

JUN 2 - 1981

OFFICE OF THE
CITY CLERK



CITY OF SACRAMENTO

OFFICE OF THE CITY CLERK

915 I STREET

CITY HALL ROOM 203

SACRAMENTO, CALIFORNIA 95814

TELEPHONE (916) 449-5428

LORRAINE MAGANA
CITY CLERK

June 3, 1981

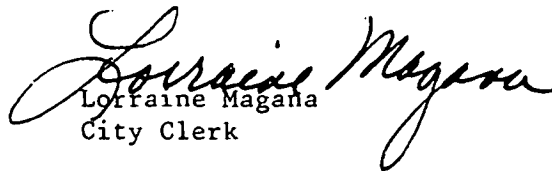
Ingemanson Enterprises
590 Hawthorn Road
Sacramento, CA 95825

Gentlemen:

On June 2, 1981, the City Council adopted a resolution authorizing the execution of a lease for the third floor and basement of the Financial Building located at the northeast corner of Tenth and J Street.

For your records, we are enclosing one fully executed copy of said lease.

Sincerely,


Lorraine Magana
City Clerk

LM:sj
Encl.

cc: Real Estate
Planning

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