



REPORT TO COUNCIL

City of Sacramento

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

Consent Report
July 17, 2007

Honorable Mayor and
Members of the City Council

Title: Agreement: Lease of Real Property, McClellan Business Park

Location/Council District: 5001 Bailey Loop, McClellan, CA/Citywide

Recommendation: Adopt a **Resolution:** 1) authorizing the City Manager to execute the Agreement for Lease of Real Property (Bldg # 251 Low Bay) located at 5001 Bailey Loop, McClellan Park, California, with MP Holdings, LLC, and 2) authorizing the City Manager to execute such additional documents and to take such additional actions as necessary to implement and manage the agreement.

Contacts: Marcia Eymann, Manager, 264-7072; James E. Henley, Manager, 264-7072; Barbara E. Bonebrake, Director, Convention, Culture & Leisure Department, 808-8225

Presenters: N/A

Department: Convention, Culture & Leisure

Division: History & Science

Organization No: 4251

Description/Analysis:

Issue: On April 25, 2006, staff of the History & Science Division presented its report back on the space needs of the Sacramento Archives and Museum Collection Center (SAMCC), which the City Council requested at its meeting on January 31, 2006. As a result of this report, the City Council approved funding for the lease in the Fiscal Year (FY) 2006/07 Approved Budget and directed staff to return to Council with a lease for the proposed space at McClellan Business Park.

Subject to Council approval, an Agreement for Lease of Real Property has been negotiated with MP Holdings, LLC, to lease real property identified as "building 251 Low Bay" located at 5001 Bailey Loop, McClellan Park, California, further identified as Assessor Parcel Number (APN): 21503200004. The subject property is comprised of approximately 16,017 square feet and will be improved with air conditioning, a restroom and a drinking fountain prior to occupancy. There are no current tenants. The negotiated base rent is \$60,000 per year. The term of the proposed lease is five years with an estimated commencement date of August 16, 2007.

Policy Considerations: The recommendations contained in this report are consistent with the Strategic Planning – Strategic Budgeting process and adopted budget objectives and principles. In addition, this acquisition is consistent with Sacramento City Code, Title 3.

Environmental Considerations: The Development Services Department, Environmental planning Services staff has reviewed the proposed Lease and has determined that the project is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to section 15316 of the CEQA Guidelines.

Commission/Committee Action: None.

Rationale for Recommendation: In order for the City to maintain and protect historically important documents and artifacts, leased storage space must be acquired. The subject property represents the most economical space which is physically and logistically appropriate.

Financial Considerations: Funding for this lease was approved as part of the FY2006/07 Adopted Budget and will not result in a General Fund impact.

Emerging Small Business Development (ESBD): No goods or services are being purchased as a result of this report.

Respectfully Submitted by: Marcia Eymann by Janis Henley
Marcia Eymann
Manager, History and Science Division

Approved by: Barbara E Bonebrake
Barbara E. Bonebrake
Director, Convention, Culture and Leisure Department

Approved by: Cassandra A.B. Jennings
Cassandra A.B. Jennings
Assistant City Manager

Recommendation Approved:



Ray Kerridge
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

**AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR LEASE
OF REAL PROPERTY WITH
MP HOLDINGS, LLC
FOR BUILDING 251 LOW BAY AT 5001 BAILEY LOOP,
MCCLELLAN PARK, CALIFORNIA**

BACKGROUND

- A. City Council approved funding for the acquisition of leased space for property at the History & Science Division in the Fiscal Year (FY) 2006/07 Approved Budget.
- B. An Agreement for Lease of Real Property in Fee has been negotiated with McClellan Business Park, LLC located at 5001 Bailey Loop, McClellan, California, further identified as Assessor's Parcel Number (APN): 3150320004.
- C. This acquisition of storage space is necessary for the maintenance and protection of historic documents and artifacts owned by the History & Science Division's Sacramento Archives and Museum Collection Center.

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

- Section 1. The City Manager or his designee is hereby authorized to execute an Agreement for Lease of Real Property located at 5001 Bailey Loop, McClellan Park with MP Holdings, LLC.
- Section 2. The City Manager is hereby authorized to execute such additional documents and to take such additional actions as necessary to implement the lease Agreement.