



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

December 18, 1980

CITY MANAGER'S OFFICE
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Redevelopment Agency of the
City of Sacramento
Sacramento, California

CITY GOVERNING BOARD

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Honorable Members in Session:

SUBJECT: Renewal of Operating Agreement by and between the Agency and System Auto Parks and Garages of San Francisco, Inc. related to 12th-13th-K-L Streets Parking Lot

COUNTY GOVERNING BOARD

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- C. TOBIAS (TOBY) JOHNSON
- JOSEPH E. (TED) SHEEDY
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SUMMARY

The attached agreement extends and modifies, by increasing the rental payment, that certain Operating Agreement dated January 1, 1980 by and between the Redevelopment Agency and System Auto Parks and Garages of San Francisco, Inc., relating to the parking lot at 12th, 13th, K and L Streets.

EXECUTIVE DIRECTOR

WILLIAM G. SELINE

BACKGROUND

P.O. Box 1834
SACRAMENTO, CA 95809
630 I STREET
SACRAMENTO, CA 95814
(916) 444.9210

On January 1, 1980 the Agency entered into an Agreement with System Auto Parks and Garages of San Francisco, Inc. whereby they would operate the parking lot at 12th, 13th, K and L Streets for one year unless earlier termination upon thirty days notice by the Agency. That Agreement called for the payment by System of \$7,500 per month for the use of the premises.

The Agency holds only a leasehold interest in the premises from Kimmel Construction Company and the monthly cost of the leasehold is \$9,534.09.

The captioned agreement extends the previous Operating Agreement for an additional year and calls for two increases in payment by System: To \$8,000 per month on January 1, 1981 and to \$8,500 per month on July 1, 1981.

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date 12/30/80

Extending agreement approved on month-to-month basis pending Report on operational costs

12-30-80

(1)

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FINANCIAL IMPACT

The extension of this contract commits the Agency to the continuation of a deficit position on this parking lot for another year, albeit at a significantly reduced rate. However, without this Agreement, it is the opinion of staff that a greater loss would be incurred in that the Agency is already committed legally to the lease payments. Accordingly, under the attached agreement, when considered in light of the existing lease obligations, the Agency is committed to a net loss of \$15,409.08 for the period of the agreement extension. This money will come from Central City tax allocation moneys.

RECOMMENDATION

Staff recommends that you approve the extension of the Operating Agreement.

Respectfully submitted,

William H. Edgar
WILLIAM H. EDGAR
Interim Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slipe

WALTER J. SLIPE
City Manager

Contact Person: Mac Mailes

RESOLUTION NO. _____

Adopted by the Redevelopment Agency of the City of Sacramento

RESOLUTION AUTHORIZING EXECUTION OF
AN AMENDMENT TO THE OPERATING AGREEMENT
RELATING TO THE PARKING PREMISES IN
BLOCK 12TH, 13TH, K AND L STREETS

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO:

Section 1. The Executive Director is authorized to execute an Amendment to that certain Operating Agreement by and between the Redevelopment Agency of the City of Sacramento and System Auto Parks and Garages of San Francisco, Inc., relating to that certain parking located in the block bounded by 12th, 13th, K and L Streets in Sacramento, to provide that (1) the term of the Agreement shall be extended to December 31, 1981, (2) the payment by System to the Agency shall be increased to \$8,000 per month as of January 1, 1981 and to \$8,500 per month as of July 1, 1981, and (3) all other conditions of the Agreement are to remain unchanged.

CHAIRMAN

ATTEST:

SECRETARY

THIRD AMENDMENT
TO OPERATING AGREEMENT

THIS AMENDMENT, made and entered into this _____ day of December, 1980, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (hereinafter referred to as "Agency"), and SYSTEM AUTO PARKS AND GARAGES OF SAN FRANCISCO, INC., a California corporation (hereinafter referred to as "System"), does amend that certain Operating Agreement executed by the parties hereto as of January 1, 1981, as follows:

1. The term of the Agreement shall be modified so as to expire on December 31, 1981. All other provisions relating to the term of the Agreement shall remain unaffected.

2. Said Agreement shall be amended to provide that for the period from January 1, 1981 through June 30, 1981, inclusive, System shall pay to Agency the fixed sum of EIGHT THOUSAND DOLLARS (\$8,000.00) each month. Further, for the period from July 1, 1981 through December 31, 1981, inclusive, System shall pay to Agency the fixed sum of EIGHT THOUSAND FIVE HUNDRED DOLLARS (\$8,500.00) each month. All other provisions relating to payments by System to Agency shall remain unaffected by this modification.

3. All other terms and conditions of the Operating Agreement, as amended, shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment the day and year first above written.

REDEVELOPMENT AGENCY OF THE CITY
OF SACRAMENTO

By _____
Executive Director

APPROVED AS TO FORM:

Chief Counsel

SYSTEM AUTO PARKS AND GARAGES OF
SAN FRANCISCO, INC.

By _____

APPROVED:

Finance Department

Funding Source

[Authorized by Resolution
No. _____]