

RESOLUTION NO. 2007-251

Adopted by the Sacramento City Council

May 1, 2007

EXECUTE A LEASE AGREEMENT WITH THE STATE OF CALIFORNIA: 19TH & W PARKING LOT

BACKGROUND

- A. The State of California is owner of property located beneath Highway 50 near the corners of 19th & W Streets. The City would like to enter into a lease agreement with the State to develop a surface parking lot that would support the local emerging business district.
- B. Rent will start at \$2,700 per month (\$324,000 for 10 years) and be adjusted annually after year 5 by a rate equal to the Consumer Price Index. After the fifth year of the lease term, the City will also pay the State 50% of revenue collected in excess of the monthly rent obligation.

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

- Section 1. The City Manager is authorized to execute a lease agreement with the State of California, Department of Transportation for the State's property located at 19th & W Streets. Rent will start at \$2,700 per month. After year 5, the City will also pay 50% of revenue collected in excess of the monthly rent obligation. The term of the agreement will be 10 years with two, 5-year options.

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Exhibit A: Location Map -19th & W Streets

Adopted by the City of Sacramento City Council on May 1, 2007 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Sheedy, Pannell Tretheway, and Mayor Fargo.

Noes: None.

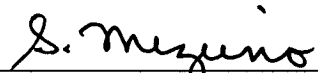
Abstain: None.

Absent: Councilmember Waters.



Mayor Heather Fargo

Attest:



Stephanie Mizuno, Assistant City Clerk

Exhibit A

Location Map - 19th and W Streets

