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DEPARTMENT OF
PUBLIC WORKS

CITY OF SACRAMENTO
CALIFORNIA

REAL ESTATE SERVICES

APPROVED
BY THE CITY COUNCIL
SEP 16 1997
OFFICE OF THE
CITY CLERK

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August 25, 1997

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: LEASE ADDENDUM FOR HAGGINWOOD/NORTH SACRAMENTO LIBRARY

LOCATION/COUNCIL DISTRICT: 2109 Del Paso Boulevard, in District 2

RECOMMENDATION:

This report recommends that the City Council, by resolution, authorize the execution of the lease addendum titled SECOND ADDENDUM TO CITY AGREEMENT NO. 86097 with Dale B. Cook and Sophia L. Cook for the Hagginwood/North Sacramento Library.

CONTACT PERSON: Rhonda R. Lake, Real Property Agent, 264-7902
Bruce Alei, Real Estate Technical Manager, 264-5055

FOR COUNCIL MEETING OF: September 16, 1997

SUMMARY:

A five (5) year extension of the lease has been negotiated for the Hagginwood/North Sacramento Library, subject to City Council approval. The space consists of approximately 4,000 square feet. The lease term is from March 18, 1997 through March 18, 2002.

The current base monthly rental rate of Three Thousand Six Hundred Ten Dollars (\$3,610) will remain in effect throughout the extended term. In addition, the City will

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have a five (5) year option to renew at the prevailing market rate when the option is exercised as agreed upon by the parties.

The lease is a full-service agreement which includes utilities, custodial services, and use of the adjacent parking area.

BACKGROUND INFORMATION:

The Hagginwood/North Sacramento Library lease was originated in 1986 as City Agreement No. 86-097. An ADDENDUM TO CITY AGREEMENT NO. 86097, executed in 1992, extended the term and established the rental rate of Three Thousand Six Hundred Ten Dollars (\$3,610).

Interior improvements constructed to meet library specifications were completed in 1986 at no cost to the City. Recent refurbishments such as interior paint and replacement of carpet and floor coverings have been paid for by the Lessor.

FINANCIAL CONSIDERATIONS:

The five (5) year lease extension reflects a base monthly rental rate of \$0.90 per square foot. Staff has concluded that the effective rental rate falls within market parameters given the scope of recent building improvements paid for by the Lessor. In addition, the City will retain a favorable lease rate and terms. The base monthly rental for the term will total \$216,600 and be paid from the Library Rental Property Budget (Account #940-820-8258-4231).

ENVIRONMENTAL ISSUES:

The Environmental Services Division has determined that extension of an existing lease has no potential for causing an environmental impact and is exempt under CEQA Guidelines, Section 15061 (3).

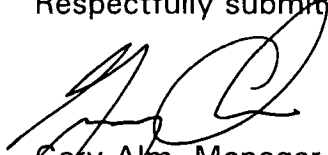
POLICY CONSIDERATIONS:

Execution of the lease extension conforms with the Library Master Plan and meets proposed requirements.

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MBE/WBE: None. No goods or services are being purchased.

Respectfully submitted,




Gary Alm, Manager
Development Services

RECOMMENDATION APPROVED:



WILLIAM H. EDGAR
City Manager

APPROVED:



Michael Kashiwagi, Director
Department of Public Works

RESOLUTION NO. 97-518

APPROVED
BY THE CITY COUNCIL

ADOPTED BY THE SACRAMENTO CITY COUNCIL

SEP 16 1997

ON DATE OF _____

OFFICE OF THE
CITY CLERK

RESOLUTION AUTHORIZING EXECUTION OF THE
SECOND ADDENDUM TO CITY AGREEMENT NO. 86097
WITH DALE B. COOK AND SOPHIA L. COOK FOR THE
HAGGINWOOD/NORTH SACRAMENTO LIBRARY

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

That the City Manager is hereby authorized to execute the SECOND
ADDENDUM TO CITY AGREEMENT NO. 86097 with Dale B. Cook and Sophia L.
Cook to extend the occupancy of the Hagginwood/ North Sacramento Library, 2109
Del Paso Boulevard, Sacramento, California from March 18, 1997 through March 18,
2002, with one additional five-year option to renew.

That the City Manager is hereby authorized to execute such other documents
as necessary to carry out the purposes and intent of this Resolution.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.

DATE ADOPTED: