



CITY OF SACRAMENTO

June 9th, 1981

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

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 449-5626

CITY MANAGER'S OFFICE
RECEIVED
JUN 3 1981
IRVIN E. MORAES
REAL ESTATE SUPERVISOR

City Council
Sacramento, California

Honorable Members In Session:

SUBJECT: Sublease of Parcel Nos. 1, 7 and 8, 10th and L
Streets Parking Garage

SUMMARY

Establishment of minimum rental rate and directing the City Clerk to advertise for bids on subleasing the premises located at 1011, 1021 and 1031 L Street.

BACKGROUND INFORMATION

The existing sublease with Fireside Thrift Company for 1031 L Street expires October 31st, 1981. Fireside Thrift is desirous of leasing said premises for an additional 5 years. They were informed of our bidding procedure whereby we would call for sealed bids with a provision in the Notice to Bidders that the existing tenant will have the right to match the highest bid received in the event they are not the successful bidder.

Fireside Thrift Company has requested that the bid opening date for the premises be prior to August 1st, 1981. By having the bids received 90 days prior to the expiration date of the existing sublease, Fireside Thrift Company will have time to locate new office space and move their business in the event they are not the successful bidder or do not wish to match the highest bid received.

In addition to Fireside Thrift Company, two other parcels' subleases will expire within the next 5 months - Parcel 7, State of California and Parcel 8, Davis Travel Agency.

We have surveyed the area and find that like property is leasing for between \$1.00 to \$1.10 per square foot.

APPROVED
BY THE CITY COUNCIL

JUN - 9 1981

OFFICE OF THE
CITY CLERK

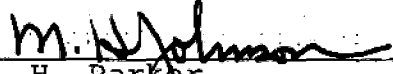
FINANCIAL DATA

The three premises consist of 1,512, 2,100 and 920 square feet respectively. Using a minimum rental rate of \$1.10 per square foot will result in \$1,663.20, \$2,310.00 and \$1,012.00 per month for these premises, or a total of \$299,112.00 over the next 5 years of the subleases. All funds received from the rental of this property will be deposited in the Parking Fund.


RECOMMENDATION

It is recommended that the attached Resolution be adopted which establishes the minimum rental rate of \$1.10 per square foot and the duration of the subleases for 5 years and also directs the City Clerk to advertise the premises for lease with a provision in the Notice to Bidders that the existing tenant shall have the right to match the highest bid received in the event they are not the successful bidder.

Respectfully submitted,


for R. H. Parker
City Engineer

Recommendation Approved


Walter J. Slipe
City Manager

RHP:IEM:bb
Attachment

June 9th, 1981
DISTRICT NO. 1

NOTICE TO BIDDERS

Sublease of Parcel _____ in the City of Sacramento's
Parking Garage Situated at 10th and L Streets

Sealed bids will be received by the City Clerk of the City of Sacramento at the office of the City Clerk, Room 308, City Hall, Sacramento, California, on or before Tuesday, _____, 1981, at the hour of 10:00 A. M., and opened at 10:15 A. M., in the Council Chambers, City Hall, on _____, for the subleasing of commercial space located at _____ (Parcel _____ in the City public parking garage) which is generally located at the Northeast corner of 10th and L Streets in the City of Sacramento. A map showing the space designated as Parcel _____ is on file in the office of the City Engineer.

THE RECOMMENDED MINIMUM BID PRICE is _____ per month. City reserves the discretion to reject any and all bids. The City also reserves the right to award the lease to the existing tenant of Parcel _____ if they are not the successful high bidder but they are willing to execute a lease equal to the amount of the highest bid received within 5 days after the opening of said bids for Parcel _____. However, in no event will the City give an existing tenant the opportunity of matching the highest bid unless the tenant submits a sealed bid at the time specified in the first paragraph of this notice.

Details of the sublease shall substantially conform to the sublease on file in the office of the City Clerk which is applicable to this parcel. The bids shall be made in toto for the above-described property. The term of the sublease shall be for a period of five (5) years, which term shall commence as provided in the sublease on file in the office of the City Clerk. At 7:30 P. M., or shortly thereafter, on _____, all bids will be considered by the City Council.

All bids must comply with the City ordinances applicable thereto and the City Charter of the City of Sacramento and bidders are hereby cautioned that any bid that fails to comply cannot be considered.

Each bid shall be made by the bidder by his completion, execution and submission of a copy of said sublease with such minor modifications in said sublease as re necessary to identify the bidder.

Bidders shall accompany said executed sublease with a written statement indicating the identity and interest of all persons or firms having an interest in said bid. The Council reserves complete and sole discretion with respect to bids, including the right to select or reject any and all bids, to negotiate or waive changes or modifications in any or all bids, to waive or modify said performance of the sublease at any time and to waive any informality in any bid received. Acceptance or rejection of the bids will be made on _____.

DATED: _____

LORRAINE MAGANA
CITY CLERK

RESOLUTION NO. 81-393

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

JUNE 9, 1981

ESTABLISHING RENTAL RATE FOR PARCEL NOS. 1, 7 AND 8 IN THE 10TH AND L STREETS PARKING GARAGE (LOT H) AND AUTHORIZING THE ADVERTISING FOR SUBLEASE OF COMMERCIAL SPACE, PARCEL NOS. 1 (1031 L STREET), 7 (1021 L STREET) AND 9 (1011 L STREET) IN 10TH AND L STREETS PARKING GARAGE (LOT H)

WHEREAS, the City of Sacramento has leased from the Parking Authority of the City of Sacramento a parking facility at the north side of L Street between 9th and 10th Streets; and

WHEREAS, said parking facility contains commercial space on the ground floor; and,

WHEREAS, the Council of the City of Sacramento is desirous of establishing a minimum rental rate for the premises for purposes of receiving bids for the subleasing of the premises as provided in Chapter 12 of the Sacramento City Code,

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

That the rental rate for the premises set aside for commercial use within the 10th and L Streets (Lot H) Parking Garage be not less than \$1.10 per square foot.

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

That pursuant to Article II of Chapter 12 of the Sacramento City Code, the City Council hereby calls for bids for the subleasing of commercial space in the 10th and L Streets Parking Garage owned by the Parking Authority of the City of Sacramento and leased to the City of Sacramento, the space to be subleased being designated as Parcels 1, 7 and 8 on the map on file in the office of the City Engineer. Said call for bids shall be in accordance with the attached Notice to Bidders and the City Clerk is hereby instructed to publish said notice in compliance with Section 12.32 of the City Code.

MAYOR
APPROVED
BY THE CITY COUNCIL

JUN - 9 1981

OFFICE OF THE
CITY CLERK

CITY CLERK