

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
7	5/14/12	Open	Action	4/26/12

Subject: Approval of First Amendment to Warehouse Space Lease at 2541 Land Avenue, Unit 400, Sacramento

ISSUE

Whether to approve a first lease amendment for continued use of warehouse space at 2541 Land Avenue, Sacramento, for storage of light rail vehicle parts for an additional one year.

RECOMMENDED ACTION

Adopt Resolution No. 12-05-_____, Approving the First Amendment to Lease of Warehouse Space with The Fischer Family Limited Partnership for Warehouse Space at 2541 Land Avenue, Unit 400, Sacramento.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	
Budget Source:	Operating	Next FY:	\$	56,400
Funding Source:	Local	Annualized:	\$	
Cost Cntr/GL Acct(s) or Capital Project #:	Cost Center 37 GL # 3037 - 680002	Total Amount:	\$	56,400
Total Budget:	\$ 56,400			

DISCUSSION

On June 22, 2009, the RT Board of Directors adopted Resolution No. 09-06-0096, approving a warehouse space lease with the Fischer Family Revocable Trust. The Fischer warehouse lease includes approximately 16,000 sq. ft. of warehouse space and is located at 2541 Land Avenue, unit 400. The lease term provided for a 3-year term and is scheduled to terminate on July 22, 2012.

RT leased the warehouse space to store light rail vehicle parts. The warehouse is proximate to RT's light rail maintenance facility on Academy Way and to its 2501 and 2531 Land Avenue properties. RT has a continuing need for this leased space for vehicle parts storage as repairs are being made to RT's storage facility.

Upon completion of the roofing at 2531 Land Avenue, RT staff no longer need the warehouse space and will relocate the parts inventory to 2531 Land Avenue. RT staff intends to complete this project in 2013, resulting in an annual savings in property leases of \$57,000.

Approved:

Presented:

Final 5/7/12

General Manager/CEO

Real Estate Administrator

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Since the lease was executed, the property has been transferred from the Fischer Family Revocable Trust to the Fischer Family Limited Partnership, though Jay and Carolyn Fischer still manage the property.

The parties have agreed to a First Amendment to the lease providing RT with an extension, commencing July 23, 2012 through July 30, 2013. The landlord has agreed to keep the rent the same for the one-year extension, at \$4,600 per month.

Staff recommends that the Board approve an extension of the lease of the warehouse space at 2541 Land Avenue, Unit 400.

RESOLUTION NO. 12-05-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

May 14, 2012

**APPROVING THE FIRST AMENDMENT TO LEASE OF WAREHOUSE SPACE WITH
THE FISCHER FAMILY LIMITED PARTNERSHIP FOR WAREHOUSE SPACE AT
2541 LAND AVENUE, UNIT 400, SACRAMENTO**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the First Amendment to the Lease of Warehouse Space between Sacramento Regional Transit District (therein "RT") and the Fischer Family Limited Partnership, as successors in interest to Jay and Carolyn Fischer, as trustees of the Fischer Family Revocable Trust (therein "Landlord"), for warehouse space located at 2541 Land Avenue, Unit 400, Sacramento, to extend the Lease to June 30, 2013, at the current monthly rent, is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute said amendment.

BONNIE PANNELL, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary