



STAFF REPORT

DATE: March 11, 2024
TO: Sacramento Regional Transit Board of Directors
FROM: Chris Flores, Chief of Staff/VP, Real Estate
SUBJ: DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE: (1) THE FIRST AMENDMENT TO LICENSE AGREEMENT FOR PARKING (510 12TH STREET) WITH THE CITY OF SACRAMENTO; AND (2) A SUBSEQUENT AMENDMENT TO EXTEND THE TERM TO 2034

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Delegating authority to the General Manager/CEO to negotiate and execute an extension of the license agreement with the City of Sacramento to manage Sacramento Regional Transit District's (SacRT) parking lot at 510 12th Street and 1122 E Street, Sacramento CA would provide continued revenue for SacRT while placing responsibility for the management of the lot on the City of Sacramento.

FISCAL IMPACT

On a quarterly basis, SacRT receives one-half of all parking lot revenues collected by the City of Sacramento, which has averaged about \$20K annually to date. If approved, there will be no fiscal impact of the proposed resolution as the funding source was accounted for in the FY24 budget.

DISCUSSION

SacRT owns the parking lot at 510 12th Street and 1122 E Street (APN: 002-0116-007, 002-0116-009), which was purchased by SacRT to operate as a public parking lot to provide environmental mitigation for the loss of on-street parking along 12th Street as part of the initial light rail construction and provide access to SacRT's substation. On March 11, 2019, the SacRT Board approved entering into a five-year license agreement with the City of Sacramento to conduct upgrades to improve the safety and security of the lot and to manage the paid parking lot while also allowing public use of the parking lot and fair value for use of the lot. The current license includes an option for a five-year extension on mutual agreement of the parties.

Under the license, the City of Sacramento must manage and monitor the lot, collect and enforce parking fees, provide security for the property, and maintain and repair the parking lot. The five-year term of the license began April 1, 2019, and expires March 31, 2024. Both parties would like to extend the license another five years and also add an additional five-year option to possibly extend the term to a total of 15 years, to March 31, 2034. The parties may agree to the installation of new improvements during the extended term. If the City makes additional improvements that are agreed to by both parties, the City of Sacramento may recover the cost of the improvements from the parking revenues, during which time SacRT will not receive a revenue share.

RESOLUTION NO. 2024-03-020

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

March 11, 2024

DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE: (1) THE FIRST AMENDMENT TO LICENSE AGREEMENT FOR PARKING (510 12TH STREET) WITH THE CITY OF SACRAMENTO; AND (2) A SUBSEQUENT AMENDMENT TO EXTEND THE TERM TO 2034

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

THAT, authority is hereby delegated to the General Manager/CEO to negotiate and execute a First Amendment to the License Agreement for Parking (510 12th Street) to extend the term of the license agreement with the City of Sacramento, therein referred to as "Licensee," to occupy, maintain, and manage Sacramento Regional Transit District's, therein referred to as "Licensor", parking lot at 510 12th Street and 1122 E Street, Sacramento CA on Assessor Parcel Numbers 002-0116-007 and 002-0116-009 for an additional five years, with an option to extend another five years (for 15 years total), with Licensor and Licensee each receiving one-half share of gross revenues of all parking lot revenues collected by the Licensee after deduction of the cost of any agreed-upon improvements.

THAT, if the First Amendment is executed to extend the term to March 31, 2029, then authority is hereby delegated to the General Manager/CEO to later exercise the additional five-year option and execute an amendment to further extend the term to March 31, 2034.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary