

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 22, 2012

Reference No.: 2.4c.(1)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Mark L. Weaver
Acting Chief
Division of Right of Way
and Land Surveys

Subject: **AIRSPACE LEASE – REQUEST TO EXTEND TWENTY-PERCENT LEASE RATE
REDUCTION TO SACRAMENTO REGIONAL TRANSIT DISTRICT PURSUANT TO
RESOLUTION G-03-03**

RECOMMENDATION FOR APPROVAL:

The California Department of Transportation (Department), on behalf of the Sacramento Regional Transit District (Sac RT), is requesting the California Transportation Commission (Commission) approval of the 20 percent (20%) public mass transit airspace lease discount from the fair market value lease rate (FMLR) for lease of airspace Parcel 03-SAC051-0005 pursuant to Resolution G-03-03.

BACKGROUND:

The subject airspace parcel is approximately 106,022+/- square feet and is located under the Route 51 (Fort Sutter) viaduct, between P and Q Streets and 29th and 30th Streets in midtown Sacramento in Sacramento County (see attached airspace parcel map). The parcel is utilized for parking and bus storage. Sac RT has spent approximately \$800,000 to make capital improvements on the parcel which include paving, lighting, security cameras and fencing.

Sac RT has leased this property since December 2001. In 2005, the Commission granted a 20 percent rental discount in accordance with Resolution G-03-03.

In July 2011, Sac RT and the Department executed a new lease with a term of five years, with two two-year options. Sac RT has been paying FMLR since July 1, 2011.

The Department requests the Commission provide the 20 percent discount from the time of approval of this action.

Attachments:

- Exhibit A: Resolution G-03-03
- Exhibit B: Location Map
- Exhibit C: Airspace Parcel Map

EXHIBIT A

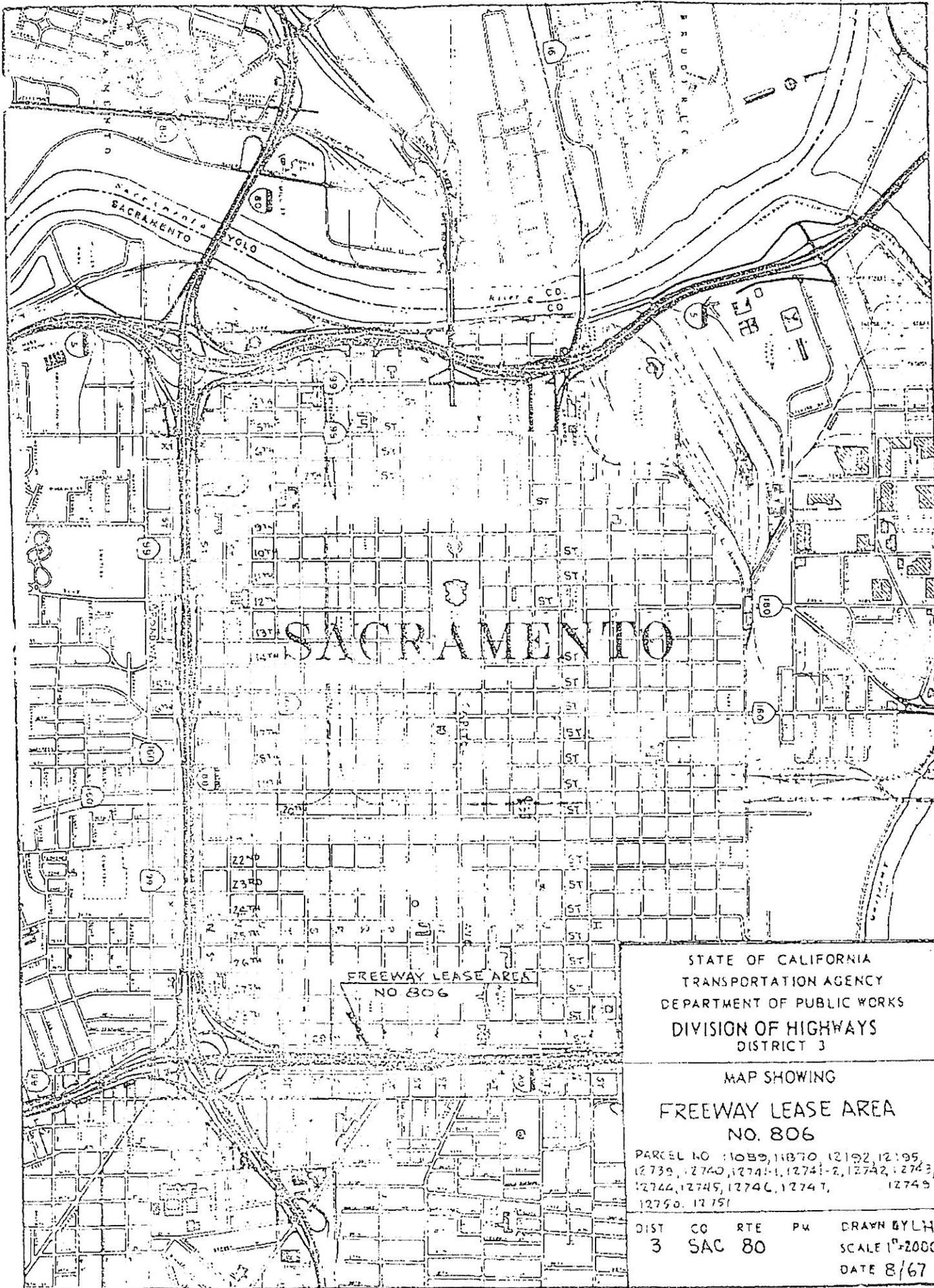
CALIFORNIA TRANSPORTATION COMMISSION

Procedure for Leasing Airspace to Public Entities

Resolution G-03-03
Amending Resolution G-01-12

- 1.1 WHEREAS, Section 104.12(a) of the Streets and Highways Code authorizes the Department of Transportation to lease the use of airspace above and below State highways to public entities in accordance with procedures to be prescribed by the California Transportation Commission; and
- 1.2 WHEREAS, Section 104.12(b) of the Streets and Highways Code authorizes the Department of Transportation to make airspace available, with or without charge, to public entities for mass transit facilities; and
- 1.3 WHEREAS, Section 14013 of the Government Code provides that the Director may lease airspace to local agencies for public purposes and may contribute toward the costs of developing local parks and other such recreation facilities on such areas;
- 2.1 NOW THEREFORE BE IT RESOLVED that the California Transportation Commission hereby authorizes the Department to enter into leases with public agencies without specific California Transportation Commission approval for each airspace lease whenever the Department finds:
 - That the lessee is a public entity as defined in the Public Contracts Code.
 - That the lease will fulfill a public purpose.
 - That the Department will receive fair market rent for the property.
- 2.2 BE IT FURTHER RESOLVED THAT the Department may enter into airspace leases with public mass transportation agencies at fair market value lease rates less a twenty percent (20%) discount, subject to specific California Transportation Commission approval;
- 2.3 BE IT FURTHER RESOLVED that when it is determined that park or recreational use is appropriate, the Department may use as all or part of the consideration for a lease for park or recreational purposes any substantial benefits the Department derives from the local agency's maintenance or landscaping costs which would otherwise be the obligation of the Department whenever the Department finds:
 - That the lessee is a municipality or other local agency as defined in the Government Code.
 - That the use is for park or recreation purposes only.
 - That the lessee agrees that whenever the leased land is needed for transportation purposes the lease shall terminate.
- 2.4 BE IT FURTHER RESOLVED that Resolution G-01-12 is hereby amended.

EXHIBIT B



STATE OF CALIFORNIA
 TRANSPORTATION AGENCY
 DEPARTMENT OF PUBLIC WORKS
 DIVISION OF HIGHWAYS
 DISTRICT 3

MAP SHOWING
 FREEWAY LEASE AREA
 NO. 806

PARCEL NO: 11899, 11870, 12192, 12195,
 12739, 12740, 12741-1, 12741-2, 12742, 12743,
 12744, 12745, 12746, 12747, 12749,
 12750, 12751

DIST CO RTE PM DRAWN BY LH
 3 SAC 80 SCALE 1"=2000'
 DATE 8/67

