



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 18-0795, Version: 1

REPORT TO COUNCIL

SUBJECT

Authorize the City Manager or his designee to Execute a License Agreement Between the City of Sunnyvale and TP DPE LLC for 84 Parking Stalls at the Sunnyvale Golf Course

BACKGROUND

A real estate broker representing TP DPE LLC and the Jay Paul Company approached the City with a proposal to use 84 parking stalls located at the Sunnyvale Golf Course on a temporary basis. These stalls will be used by the employees of companies located across Maude Avenue while construction is taking place at those buildings.

EXISTING POLICY

Council Policy 1.2.7 Acquisition, Leasing and Disposition of City-Owned Real Property

Section 2. Lease of City-Owned Real Property

Real property held for future use may be leased for profit when deemed appropriate and favorable to the City and in accordance with Sunnyvale Municipal Code Chapter 2.07. Property leased to outside entities should be based on the current market rent except when Council finds there is a public purpose for leasing at a lower rate.

Section 2A. Revenue from the leasing of City-owned property shall be deposited into the Fund in which the property was purchased, except when a fund no longer exists, it will be at the direction of the Awarding Authority as per Municipal Code 2.07.

Sunnyvale Municipal Code Chapter 2.07 (Purchase, Sale or Lease of Real Property) contains the following approval requirements for transactions involving Publicly Accessible Recreation and City Service (PARCS) property:

The City Council is the awarding authority for all sales or leases of PARCS property where the sales price or lease cost exceeds a total of seventy-five thousand dollars. Requires an affirmative vote of 6 Council members to approve a sale or lease of PARCS property, or to remove a property from the PARCS list.

The City Manager has awarding authority for sales or leases of PARCS property where the sales price or lease cost is seventy-five thousand dollars or less, or where the lease results in revenue to the City and is for a period of five years or less.

ENVIRONMENTAL REVIEW

Approving an agreement for parking does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Any future development shall be subject to

the CEQA requirements.

DISCUSSION

The Sunnyvale Golf Course is one of the properties included on the PARCS list. The proposed license is for 84 parking stalls, Monday to Friday between the hours of 6:00 a.m. and 8:00 p.m., members of the public shall have the right to use any open stalls after 5:00 p.m. On Saturdays and Sundays, the parking lot in its entirety is available for public parking. With a total of 227 parking stalls on site, there is ample parking available on any week day. The licensed stalls fall on the farthest section of the parking lot from the pro shop, to avoid any inconvenience to golfers. It is anticipated that the proposed license will have very little impact on the golf course operations and customer parking.

The term of the license is for 32 months commencing on January 1, 2019 and ending on August 31, 2021 with a termination for convenience clause of 120 days written notice by either of the parties. There are three extension options, each is for two months.

An affirmative vote of 6 Council members is required to authorize the Parking Area License Agreement with TP DPE LLC as it involves a PARCS property.

FISCAL IMPACT

The License will generate a revenue of \$8,400 per month (\$100,800 per year), which will be deposited in the Golf and Tennis Operations Enterprise Fund.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website. Furthermore, noticing of this public hearing was pursuant to Sunnyvale Municipal Code section 2.07.050 (b) (3):

Notice of Public Hearing · Published in the Sun newspaper not less than 15 days before the hearing (published on November 9, 2018).

Mailed notices to property owners within 4,000-foot radius of the 84 Parking stalls.

ALTERNATIVES

1. Authorize the City Manager or his designee to execute the Parking Area License Agreement between the City of Sunnyvale and TP DPE LLC for 84 Parking Stalls at the Sunnyvale Golf Course, effective January 1, 2019 through August 31, 2021, with three - two-month extension options at \$8400 per month, in substantially the same form as Attachment 1 to the report.
2. Do not authorize the City Manager or his designee to execute the Parking Area License Agreement.
3. Provide staff direction regarding the negotiation of different terms.

STAFF RECOMMENDATION

Alternative 1: Authorize the City Manager or his designee to execute the Parking Area License Agreement between the City of Sunnyvale and TP DPE LLC for 84 Parking Stalls at the Sunnyvale Golf Course, effective January 1, 2019 through August 31, 2021, with three - two-month extension

options at \$8400 per month, in substantially the same form as Attachment 1 to the report. The proposed license should not create any inconvenience to golfers since it allows for parking on weekdays only; not on Saturday or Sunday, and public parking is allowed in any open space after 5:00 p.m. Also with the license area located at the end of the parking lot, at the farthest possible from the pro shop, it will not displace any of the golfers.

Prepared by: Sherine Nafie, City Property Administrator
Reviewed by: Chip Taylor, Director, Public Works
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Parking Area License Agreement
2. Site Map