



CITY OF FORT BRAGG

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COUNCIL COMMITTEE ITEM SUMMARY REPORT

MEETING DATE: September 28, 2016

TO: Public Works & Facilities Committee

FROM: Scott Schneider, Administrative Services Director & Tom Varga,
Director of Public Works

AGENDA ITEM TITLE: **RECEIVE REPORT AND DISCUSS OPTIONS FOR LEASED
PARKING LOT LOCATED AT THE SKUNK TRAIN DEPOT
INCLUDING UPCOMING MAINTENANCE & REPAIRS AND
SUB-LEASING PART OF THE LOT TO THE NORTH COAST
BREWING COMPANY**

ISSUE:

The City, since October 1, 2008, has leased the parking lot at the Skunk Train Depot from Mendocino Railway (MR). The lease, set to expire on October 1, 2018, identifies an annual payment of \$8,000 from the City to MR for the use of the lot as public parking. Also included in the lease is the requirement for the City to set aside up to \$1,500 for maintenance each year. Staff seeks direction on the future utilization of the parking lot including upcoming recommended maintenance, renewal of the lease with MR and a possible sub-lease of a section of the lot to the North Coast Brewing Company (NCBC).

SUMMARY:

Providing convenient, affordable parking to locals, visitors and residents has been a topic of discussion for this committee and the entire City Council for several years. Going back to 1996, the City and California Western Railroad (CWR) partnered to construct the parking lot and entered into an agreement to lease the parking lot to the City for \$1/year. In 2004, Sierra Railroad purchased CWR's assets including the parking lot. Following the change of ownership, and after much discussion, a 10-year lease of the parking lot to the City which currently expires in 2018 was executed. The Depot parking lot consists of a total 127 spaces – 77 of which are a part of the City's lease with MR.

Over the past several weeks, staff has been in discussions with MR in order to deal with much needed maintenance of the parking lot as well as the North Coast Brewing Company's (NCBC) ongoing use of a significant portion of the lot – primarily the northeast corner – and the possibility of sub-leasing an appropriate portion of the lot to NCBC. Other issues discussed include possible implementation of timed parking throughout the lot as well as a lease extension prior to the current term date of October 1, 2018.

Maintenance: MR contacted the City regarding the current condition of the parking lot and the possibility of the City utilizing the required \$1,500 per year maintenance fund to pay for necessary repairs. Since the lease's inception, the City has not used any of these maintenance funds; the 10 year lease is in its eighth year. MR is requesting the City provide \$12,000, (\$1,500 per year x 8 years), for the repair and resurfacing of the lot. MR has tentatively offered to cover costs exceeding the City's \$12,000 contribution. The estimated cost of the repair is \$30,000. The repairs would largely comprise a surface treatment and restriping of the lot. Staff recommends moving forward with the repairs and completing them by the summer of 2017.

Sub-Lease: NCBC has been utilizing approximately a sizable portion of the City's leased area within the Depot parking lot for its own use – employee parking, pallet storage, truck parking, etc.



City staff has discussed with MR and NCBC the need to formalize NCBC's use of a portion of the lot with a sub-lease. NCBC is amenable to a sub-lease at a rate of \$25 per month per space. NCBC has requested the use of 12 spaces along their building in the sub-lease. This would generate approximately \$3,000 of revenue annually. It is also recommended NCBC be responsible for any necessary signage of its sub-leased spaces.

Discussions have also included NCBC's use of the northern tip of the parking lot for truck parking. NCBC understands the need for this unmarked area to remain clear at all times and plans to include within its utilization of their sub-leased portion of the lot truck parking, loading and unloading. Essentially, should NCBC sub-lease a portion of the lot, they would be entitled to utilize the space in whatever ways it most benefits their conduct of business as long as it does not interfere with the normal use of the rest of the lot for parking.

Parking with a Timed Limit: When the City initially leased the Skunk Train lot, it intended to implement timed parking limitations. For a variety of reasons, this has not occurred. Staff has discussed the possibility of doing so now with MR and we are recommending that a 3-hour limit be established. This is consistent with the consensus when it was last discussed in 2011.

Enforcement: Given that the portion of the lot containing the proposed sub-lease area to NCBC and remainder public parking will be under the control of the City through its lease with MR, enforcement of the parking limits for all of these areas will be a City obligation. This task would be added to the parking enforcement officer during the time they are available and by community service officers for the remainder of the year.

The Skunk Train Depot parking lot is covered by the current Master Traffic Resolution and Section 10.20.035 of the Fort Bragg Municipal Code regarding parking regulations on private property. These regulations authorize the City's Police Department to enforce these regulations.



Google earth

miles 40
km 70



- SKUNK TRAIN DEPOT PARKING LOT
- CITY OF FORT BRAGG PARKING LOT LEASE AREA
- PROPOSED NCBC SUB-LEASE & PERMIT PARKING AREA

RECOMMENDATION:

Staff recommends the following:

1. Sub-leasing 12 parking spaces to NCBC at \$25/month per space on an annual basis.
2. Moving forward with the essential maintenance and repairs to the parking lot to be completed in spring 2017 and allocating the appropriate funds for the work.
3. Implementing timed parking in the remaining spaces included in the City's leased spaces from Mendocino Railway. The initial discussion is recommended to consider a 3-hour limit and refine as necessary to meet the needs of Skunk Train, surrounding businesses and the community in general.

NOTIFICATIONS:

Mr. Robert Pinolli, Mendocino Railway

Mr. Mark Ruedrich, North Coast Brewing Company

ATTACHMENTS:

1. Parking Lease Agreement between the City and Mendocino Railway
2. Summary of proposed terms for North Coast Brewery parking sub-lease