



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
February 20, 2024

TOPIC: Santa Ana Regional Transportation Center – Lease Agreement

AGENDA TITLE

Approve an Appropriation Adjustment and a Lease Agreement with RailWorks Track Services, Inc. for Office Space at the Santa Ana Regional Transportation Center for a Five-Month Term with 12 One-Month Extensions, for a Total Amount of \$73,031 (Non-General Fund)

RECOMMENDED ACTION

1. Authorize the City Manager to execute a site lease agreement with Railworks Track Services, Inc. to compensate the City \$4,356 per month, with any partial month prorated at \$145 per day, for the lease of 1,452 square feet of office space located at the Santa Ana Regional Transportation Center, for a five-month term beginning February 6, 2024 and ending June 30, 2024, with the option of 12 one-month extensions, for a total of \$73,031 in lease revenue for the entire term of the agreement, including the optional extensions (Agreement No. A-2024-XXX).
2. Approve an appropriation adjustment recognizing Fiscal Year 2023-24 lease income in the amount of \$20,759 into the SARTC Operations, Rental-RailWorks revenue account and appropriate the same amount to the SARTC Operations, Contractual Services-Professional expenditure account (*Requires five affirmative votes*).

GOVERNMENT CODE §84308 APPLIES: Yes

DISCUSSION

The Santa Ana Regional Transportation Center (SARTC) is a regional transportation hub that brings together Amtrak, Metrolink, Orange County Transportation Authority (OCTA), interstate bus services, and in the future, the OC Streetcar. The facility is open to the public seven days a week from 5:00 a.m. to midnight and contains approximately 35,000 square feet of rental space, including ten bus bays.

The OC Streetcar is the first modern streetcar project to be built in Orange County. It will service Santa Ana's historic downtown which includes federal, state, and local courthouses, government offices, colleges, an artists' village, and a thriving restaurant scene. The OC Streetcar will operate along a 4.15-mile route that connects SARTC and a new transit hub at Harbor Boulevard and Westminster Avenue in Garden Grove.

OCTA is the lead agency for the OC Streetcar Project. OCTA selected Walsh Construction as the Contractor for the project. SARTC quickly became a central hub for contractors working on the Streetcar Project due to the close proximity to the project site. RailWorks Track Services has been an active contractor of this project and has been leasing office space at SARTC since April 2021. As the OC Streetcar project continues, staff recommends continuing to lease Suite 103 consisting of 1,452 square feet of office space at SARTC until June 30, 2024, with the option of 12 one-month extensions. Staff seeks approval of the lease agreement, which will generate revenue for SARTC's day-to-day operations. Tenant has the ability to terminate with a 30-day notice.

FISCAL IMPACT

Approval of the site lease agreement obligates RailWorks Track Services, Inc. to compensate the City \$73,031 for the term of the lease agreement, including the option for twelve one-month renewal options, for lease of interior office space at the SARTC. Approval of the appropriation adjustment will recognize Fiscal Year 2023-24 lease income in the amount of \$20,759 into the SARTC Operations, Rental-RailWorks revenue account (No. 06717002-53832) and appropriate the same amount to the SARTC Operations, Contractual Services expenditure account (No. 06717650-62300).

Fiscal Year	Accounting Unit - Account #	Fund Description	Accounting Unit, Account Description	Amount
Appropriation Adjustment				
2023-24 (Feb-June)	06717650-62300	Regional Transportation Center	Public Works-SARTC Operations, Contract Services-Professional	\$20,759
Optional Renewal				
2024-25	06717650-62300	Regional Transportation Center	Public Works-SARTC Operations, Contract Services-Professional	\$52,272
TOTAL				\$73,031

EXHIBIT(S)

1. Lease Agreement with RailWorks Track Services, Inc

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Tom Hatch, Interim City Manager