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SACRAMENTO REGIONAL TRANSIT

# STAFF REPORT

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| **DATE:** | November 9, 2026 |
| **TO:** | Sacramento Regional Transit Board of Directors |
| **FROM:** | Chris Flores, Chief of Staff/VP, Real Estate |
| **SUBJ:** | APPROVAL OF BUILDING AND PARKING LEASE AGREEMENT (2810 O STREET) WITH CHRISTOPHER WORDLOW (APN 007-0274-005) |

## RECOMMENDATION

Adopt the Attached Resolution.

## RESULT OF RECOMMENDED ACTION

Approval of a 10.5-Year triple net (NNN) lease agreement with the new owner, Christopher Wordlow, at 2810 O Street, Sacramento, CA will provide a long-term ability to house Sacramento Regional Transit District (SacRT) staff close to SacRT's bus storage and maintenance location.

## FISCAL IMPACT

The current monthly rent of $4,000 is included in the FY2027 Operating Budget. The proposed lease increases the monthly rent to $5,000 effective December 1, 2026, through May 31, 2037, resulting in an additional cost of $7,000 for FY2027. The full annual incremental cost of $12,000 will be included in subsequent applicable Fiscal Year operating budgets. The costs associated with exercises of either one-year option to extend will be addressed at the time of option exercise.

## DISCUSSION

SacRT has leased the property at 2810 O Street (4,000 square feet of office space with associated parking on 0.15 acres) since 2004 for the purpose of various administrative uses to support SacRT operations. SacRT Human Resources Department staff presently work at this location.

The current lease instrument, which specifies an expiration date of May 31, 2027, is between SacRT and Anthony P. and Marilyn V. Wordlow. The owners have since passed away. SacRT desires to enter into a new lease agreement with the successor owner, and continue to lease the property for a specified term of 10.5 years.

The lease will allow SacRT to make improvements that would facilitate relocation of the Bus Operations Department from 1400 29th Street, which is currently being negotiated for

sale. While the monthly rent will increase by approximately 25% under the new lease, this will be the first increase since 2004 and is still consistent with market rate.

SacRT will have the option to terminate the lease at any time with 365 days' advance written notice if needs change. Approval of this lease allows SacRT control of the property and the benefit of any improvements that may be made for up to a 10.5-year period with options to extend by up to two additional years.

RESOLUTION NO. 2026-11-128

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

November 9, 2026

**APPROVAL OF BUILDING AND PARKING LEASE AGREEMENT (2810 O STREET) WITH CHRISTOPHER WORDLOW (APN 007-0274-005)**

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

THAT, the Building and Parking Lease (2810 O Street) between Sacramento Regional Transit District (SacRT) and Chrisopher Wordlow, for a 10.5-year term, expiring May 31, 2037, with options to extend two additional years, at a rental rate of $5,000 per month, on the terms and conditions further set forth therein, is hereby approved.

THAT, the General Manager/CEO or his designee is hereby authorized and directed to execute the foregoing lease agreement.

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BOBBIE SINGH-ALLEN, Chair

A T T E S T:

HENRY LI, Secretary

By:_____
Tabetha Smith, Assistant Secretary