



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: SEPTEMBER 23, 2025

DEPARTMENT: OFFICE OF THE CITY MANAGER

FROM: LISA MURPHY, ASSISTANT CITY MANAGER

TITLE: 1st AMENDMENT TO THE LEASE AGREEMENT WITH LAZ
PARKING FOR 3 STATION PLACE

RECOMMENDED MOTION:

A motion to approve a resolution authorizing the Mayor to sign the 1st Amendment to the lease agreement between the City of Salinas and LAZ Parking California, LLC for the City-owned property located at 3 Station Place.

EXECUTIVE SUMMARY:

LAZ Parking is the City's parking enforcement contractor. Approving the lease amendment will extend the lease term an additional two years. In addition, the amended lease would authorize LAZ Parking to move from 5 Station Place (where it is currently located) to 3 Station Place.

BACKGROUND:

The City of Salinas is the owner of the Salinas Train Station. Historically, the City has leased individual rooms (each of which has a unique address) to various tenants. Leases in the building typically include the use of the communal facilities such as the restrooms and break room.

Since 2016, LAZ Parking has occupied 5 Station Place which is a 394-square foot room located within the Train Station. LAZ Parking is the City's contractor for parking enforcement. The lease agreement between the City and LAZ Parking lease expired on August 31, 2025, and LAZ Parking desires to extend the term of the lease agreement for an additional two-year period. In addition, LAZ Parking would like to relocate from 5 Station Place to 3 Station Place, which is the location formerly occupied by Greyhound. The space is only slightly larger by approximately 100 sq ft.; however, it is located in the interior of the building.

Currently, because the lease agreement expired on August 31, 2025, LAZ Parking has continued to occupy the space at 5 Station Place on a month-to-month holdover basis. The amendment includes an extension of the term which would allow LAZ Parking to continue to occupy space within the train station for an additional two-year period, expiring on August 31, 2027, with the option to extend for an additional two-year period. All other terms and conditions of the original lease remain the same.

CEQA CONSIDERATION:

The City of Salinas has determined that the project is exempt from the California Environmental Quality Act (CEQA) Guidelines (Section 15301, Class 1) because the project proposes no change to an existing use.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes Government Code §84308/Levine Act applies to this item.

STRATEGIC PLAN INITIATIVE:

This item relates to the City's goals of Economic Development as it provides a revenue stream from a property that the City is currently holding.

DEPARTMENTAL COORDINATION:

The Economic Development Division has coordinated with the City Attorney's Department as necessary for this project.

FISCAL AND SUSTAINABILITY IMPACT:

The Lease Agreement will result in annual revenues of approximately \$11,346 per year.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 25-26 Operating Budget Page	Last Budget Action (Date, Resolution)*
1000	80.8010-56.8110	Charges for Services Rental Income	N/A	\$11,346	176	6/17/25, 23269

* The FY 2025-26 Adopted Budget was adopted on June 17, 2025.

ATTACHMENTS:

Resolution
Amendment No. 1 to Lease Agreement,