




COUNTY OF SAN MATEO
Inter-Departmental Correspondence

County Manager's Office

DATE: April 27, 2004

BOARD MEETING DATE: May 4, 2004

TO: Honorable Board of Supervisors

FROM: Steve Alms, Manager, Real Property Services Division 

SUBJECT: Third Lease Amendment for Office Space at 550 Quarry Road, San Carlos, California for the Human Services Agency. (Lease No. 1146)

Recommendation

Adopt a Resolution authorizing the President of the Board of Supervisors to execute a Third Lease Amendment with Vernazza Properties for office and warehouse space at 550 Quarry Road, San Carlos, California.

Background

The Human Services Agency occupies office and warehouse space in the building at 550 Quarry Road under the terms of the lease dated December 15, 1998, as amended by the First Amendment and as amended by the Second Amendment. The proposed Third Lease Amendment to the 550 Quarry Road lease provides for the lease of an additional 3,000 rentable square feet of office and warehouse space on the first floor which will be used by HSA to alleviate overcrowding in adjacent areas of the building.

Discussion

A Third Lease Amendment has been negotiated with Vernazza Properties. Under the terms of the Amendment the County will pay \$1.04 per square foot per month for a total monthly increase of \$3,120. The rate was established under the terms of the original lease. As a result of this Amendment, the County will occupy the entire 70,104 square foot building at a total monthly rent of \$82,681.30 (\$1.18 per square foot). This total includes \$7,033.18 for the amortization of the cost of improvements made to the building on behalf of the County in 1999.

The Director of the Human Services Agency concurs in this recommendation. County Counsel has reviewed and approved the Third Lease Amendment as to form.

The Honorable Board of Supervisors
April 19, 2004
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Vision Alignment

The Third Amendment keeps the commitment of ensuring basic health and safety for all and goal number 8: "Help vulnerable people - the aged, disabled, mentally ill, at-risk youth and others - achieve a better quality of life". The amendment contributes to this commitment and goal number 8 by providing the expansion space needed to support the delivery of programs and services that produce positive outcomes in our community.

Fiscal Impact

The Human Services Agency has sufficient funds budgeted for 2003-2004, and has included funds for the additional space in the proposed 2004-2005 budget.

Cc: w/ encl.: D. Penny Bennett, Deputy County Counsel
cc: Maureen Borland, Human Services Agency
Phil Naylor, Human Services Agency
Patty Lockman, Human Services Agency
Carolyn Hamilton, Real Property Agent, Real Property Services Division

RECOMMENDED
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Smith
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COUNTY MANAGER