



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

County Manager's Office

DATE: July 26, 2007
BOARD MEETING DATE: August 14, 2007
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Steve Alms, Manager, Real Property Division

SUBJECT: Second Amendment to Lease Agreement with ASIYA Shriners for office space at 150 W. 20th Avenue, San Mateo, for the Health Department (Lease No. 1256).

RECOMMENDATION:

Adopt a resolution:

1. Authorizing the execution of a Second Amendment to the Lease Agreement with ASIYA Shriners of 17,488 square feet of office space at 150 W. 20th Avenue, San Mateo, California, which extends the expiration date to October 31, 2007 at a monthly rent of \$36,274.60 and authorizes the County to holdover on a month-to-month basis under the same terms and conditions, and
2. Authorizing the County Manager or his designee to execute notices, options and documents associated with the Second Amendment and the Lease including, but not limited to, extension or termination of the agreement under the terms set forth therein.

VISION ALIGNMENT:

Commitment 3: Ensure basic health and safety for all.

Goal 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 goal by continuing to provide a safe and accessible facility in an atmosphere that assists in providing quality services to the public.

PERFORMANCE MEASURES:

Real Property Services strives to maintain an average cost of leased facilities that compares favorably with the average asking rate for comparable facilities in the County. The rental rate for the leased area is \$2.07 per square foot per month, which compares favorably with the Countywide average asking rate of \$2.96.

| Measure | Actual | County-wide |
|----------------------|--------------------|--------------------|
| Average Asking Rate: | \$2.07 per sq. ft. | \$2.96 per sq. ft. |

BACKGROUND:

Since March of 2002, the Health Department has leased a portion of the first floor of 150 W. 20th Avenue for the use of Public Health and Mental Health staff. In July 2005, the County entered into the First Lease Amendment, which increased the area of the Premises. The Term of the Lease expired on June 30, 2007, and the Lease remains in effect under the holdover provision of the Lease.

On June 5, 2007, the County entered into a lease of office space at 2000 Alameda de las Pulgas to consolidate multiple Health Department leased facilities in a single location, which includes the services currently offered at 150 W. 20th Avenue. Upon approval of the Alameda lease, Real Property Services negotiated an extension of the current lease to allow ample time for the construction of leasehold improvements at Alameda de las Pulgas and coordinate the relocation of staff and services from 150 W. 20th Avenue. The projected completion date at Alameda de las Pulgas is November 15, 2007.

DISCUSSION:

The Second Lease Amendment extends the termination date to October 31, 2007 at a monthly rent of \$36,274.60 and authorizes the County to holdover on a month-to-month basis, and is otherwise on the same terms and conditions contained in the Lease.

County Counsel has reviewed and approved the Amendment as to form. The Director of the Health Department concurs with this recommendation.

FISCAL IMPACT:

The monthly rent of \$36,274.60 per month is included in the adopted 2007/2008 budget.

cc:/enc: Lee Thompson, Deputy County Counsel
cc: Charlene Silva, Director, Health Department
Arthur Morris, Deputy Director, Health