



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
County Manager's Office



**DATE:** August 9, 2010  
**BOARD MEETING DATE:** August 24, 2010  
**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 Joseph and Donna Awender for office space at 2342 El Camino Real, Redwood City (Lease No. 1264).

**RECOMMENDATION:**

Adopt a Resolution authorizing the:

1. President of the Board to execute a Second Amendment to Lease Agreement with Joseph and Donna Awender of 2,489 square feet of office space at 2342 El Camino Real, Redwood City, California, which amends and extends the expiration date to October 31, 2012 with two options to extend for an additional six months each and reduces the monthly rent by \$1,163.86 to \$5,277.00, and
2. County Manager or his designee to execute notices, options and documents associated with the Second Amendment and Lease including, but not limited to, extension or termination of the Lease under the terms set forth therein.

**BACKGROUND:**

On June 10, 2003, as authorized by Resolution No. 66021, the County and Joseph and Donna Awender (the "Landlord") entered into a lease of a 2,489 square foot portion of the building at 2342 El Camino Real in Redwood City for use by the Women, Infants and Children Supplemental Nutrition Program ("WIC"), providing services to individuals and families in the Redwood City and North Fair Oaks areas. On October 30, 2007, as authorized by Resolution No. 69078, County and Landlord entered into a First Amendment to Lease Agreement which extended the term of the lease to October 31, 2010 with three options to renew for one additional year each and modified the base rent. Exercise of the option to renew would have resulted in a monthly base rent of \$6,582.59. The County and Landlord desire to further amend the lease to extend the term and reduce the base rent.

**DISCUSSION:**

Real Property Services has prepared a Second Amendment to Lease Agreement which amends and extends the term of the Lease to October 31, 2012 with two options to extend for an additional six months each and reduces the monthly base rent from \$6,582.59 to \$5,227.00 through the expiration of the term, including the extension

options. The agreement is otherwise under the terms and conditions set forth in the Lease as previously amended. The length of the extension and relatively short extension options enable the County to consider relocating the WIC Clinic as part of the proposed South County Clinic consolidation.

County Counsel has reviewed and approved the Second Amendment and Resolution as to form. The Chief of the Health System concurs in this recommendation.

Approval of this Amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by continuing to provide an affordable, accessible and convenient location where members of the public can obtain necessary services and resources.

**Performance Measure(s):**

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 \$2.10 per square foot per month, which compares favorably with the Countywide average asking rate of \$2.65 per square foot per month.

<b>Measure</b>	<b>FY 2010-11 Actual</b>	<b>Avg. Asking Rate San Mateo County Q2-2010</b>
Monthly Rate:	\$2.10	\$2.65

**FISCAL IMPACT:**

The rent of \$5,277.00 per month is included in the tentatively adopted FY 2010-11 budget of the Health System.

- cc:/enc: Judith Holiber, Deputy County Counsel
- cc: Jean Fraser, Chief of the Health System
- Arthur Morris, Health System Director of Administration
- Mary Hansell, Director of Family Health Services

**RESOLUTION NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

\* \* \* \* \*

**RESOLUTION AUTHORIZING THE: 1) PRESIDENT OF THE BOARD TO EXECUTE A SECOND AMENDMENT TO LEASE AGREEMENT WITH JOSEPH AND DONNA AWENDER OF 2,489 SQUARE FEET OF OFFICE SPACE AT 2342 EL CAMINO REAL, REDWOOD CITY, CALIFORNIA, WHICH AMENDS AND EXTENDS THE EXPIRATION DATE TO OCTOBER 31, 2012 WITH TWO OPTIONS TO EXTEND FOR AN ADDITIONAL SIX MONTHS EACH AND REDUCES THE MONTHLY RENT BY \$1,163.86 TO \$5,277.00, AND 2) COUNTY MANAGER OR HIS DESIGNEE TO EXECUTE NOTICES, OPTIONS AND DOCUMENTS ASSOCIATED WITH THE SECOND AMENDMENT AND LEASE INCLUDING, BUT NOT LIMITED TO, EXTENSION OR TERMINATION OF THE LEASE UNDER THE TERMS SET FORTH THEREIN. (LEASE NO. 1264)**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, on June 10, 2003, as authorized by Resolution No. 66021, the County and Joseph and Donna Awender (the "Landlord") entered into a lease of a 2,489 square foot portion of the building at 2342 El Camino Real in Redwood City for use by the Women, Infants and Children Supplemental Nutrition Program ("WIC"), providing services to individuals and families in the Redwood City and North Fair Oaks areas; and

**WHEREAS**, on October 30, 2007, as authorized by Resolution No. 69078, County and Landlord entered into a First Amendment to Lease Agreement which extended the term of the lease to October 31, 2010 with three options to renew for one additional year each and modified the base rent; and

**WHEREAS**, the County and Landlord desire to further amend the lease to amend and extend the term and reduce the base rent; and

**WHEREAS**, there has been presented to this Board of Supervisors for its consideration and acceptance a Second Amendment to Lease Agreement which amends and extends the term of the Lease to October 31, 2012 with two options to extend for an additional six months each, reduces the base rent from \$6,390.86 per month to \$5,227.00 per month through the expiration of the term including the extension options, and is otherwise under the terms and conditions set forth in the Lease; and

**WHEREAS**, this Board has been presented with the Second Amendment to Lease Agreement and has examined and approved same as to both form and content and desires to enter into same.

**NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the President of this Board of Supervisors be, and is hereby, authorized and directed to execute said Second Amendment to Lease Agreement for and on behalf of the County of San Mateo, and the Clerk of this Board shall attest the President's signature thereto; and

**IT IS FURTHER DETERMINED AND ORDERED** that the County Manager or his designee is hereby authorized to accept or execute on behalf of the County, any and all notices, options and documents associated with the Second Amendment and Lease including, but not limited to, extension or termination of the Lease under the terms set forth therein.

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**SECOND AMENDMENT TO LEASE AGREEMENT  
No. 1264**

This Second Amendment to Lease Agreement ("Amendment"), dated for reference purposes only as of August 10, 2010, is by and between the COUNTY OF SAN MATEO, a political subdivision of the State of California ("County" or "Tenant"), and JOSEPH E. AWENDER, II AND DONNA L. AWENDER, HUSBAND AND WIFE, as Joint Tenants (" Landlord ").

**Recitals**

A. As authorized by San Mateo County Resolution No. 66021, Landlord and Tenant entered into a lease agreement, dated for reference purposes as of May 28, 2003 (the "Lease") for approximately 2,489 square feet of rentable space in that certain building commonly known as 2342 El Camino Real, Redwood City, California.

B. As authorized by San Mateo County Resolution No. 69078, County and Landlord entered into the First Amendment to Lease Agreement dated October 30, 2007 (the "Lease As Amended"). The First Amendment extended the Term to October 31, 2010 with three options to renew for one additional year each, and modified the Base Rent.

C. County and Landlord wish to amend the Lease to extend the Term, grant the County options to extend the Term, and modify the Base Rent, otherwise under the same terms and conditions as herein set forth.

**Agreement**

For good and valuable consideration as hereinafter set forth, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Term.** Any reference to the Initial Term or Expiration Date of the Lease As Amended notwithstanding, the Expiration Date of the Lease is hereby amended to October 31, 2012.
2. **Options to Extend Term.** Any reference to the Option to Extend the Term of the Lease notwithstanding, County shall have the right to extend the Term for two additional terms of six months each (the "Extension Options"). County, at its sole discretion, may exercise the Extension Options, if at all, by giving written notice to Landlord no later than ninety (90) days prior to the expiration of the term to be extended; provided, however, if County is in material default under the Lease as Amended on the date of giving such notice and fails to cure such default within a reasonable amount of time, Landlord may reject such exercise by delivering written notice thereof to County promptly after such failure to cure.
3. **Rent.** Any references to the Base Rent of the Lease As Amended notwithstanding; effective September 1, 2010, the Base Rent shall be \$5,277.00

per month, which rate shall be in effect through the expiration of the Term, including the Term as extended by the Extension Options.

4. **Effective Date; Approval.** This Second Amendment shall become effective (the "Effective Date") when the County Board of Supervisors adopts a resolution authorizing the execution of this Second Amendment, and the Second Amendment is duly executed by the County and delivered to Landlord.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE AMENDMENT, LANDLORD ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF COUNTY HAS AUTHORITY TO COMMIT COUNTY HERETO UNLESS AND UNTIL THE COUNTY BOARD OF SUPERVISORS HAS ADOPTED A RESOLUTION AUTHORIZING THE EXECUTION OF THIS SECOND AMENDMENT TO THE AGREEMENT. THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF COUNTY HEREUNDER ARE CONTINGENT UPON ADOPTION OF SUCH A RESOLUTION, AND THIS AMENDMENT SHALL BE NULL AND VOID UNLESS THE BOARD OF SUPERVISORS ADOPTS A RESOLUTION AUTHORIZING THE EXECUTION OF THIS SECOND AMENDMENT. APPROVAL OF THIS AMENDMENT BY ANY DEPARTMENT, COMMISSION OR AGENCY OF COUNTY SHALL NOT BE DEEMED TO IMPLY THAT SUCH RESOLUTION WILL BE ADOPTED, NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON COUNTY.

5. **Counterparts.** This Second Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
6. **No Further Amendments; Conflicts.** All the terms and conditions of the Lease As Amended remain in full force and effect except as expressly amended herein. The Lease as amended by the First Amendment and this Second Amendment constitutes the entire agreement between County and Landlord and may not be modified except by an instrument in writing duly executed by the parties hereto. In the event of any conflict between the terms of the Lease As Amended and the terms of this Second Amendment, the terms of this Second Amendment shall control.

County and Landlord have executed this Second Amendment to Lease Agreement as of the date first written above.

**LANDLORD:**

JOSEPH E. AWENDER, II AND DONNA L. AWENDER, HUSBAND AND WIFE, as Joint Tenants

By: \_\_\_\_\_  
Joseph E. Awender, II

By: \_\_\_\_\_  
Donna L. Awender

**COUNTY:**

COUNTY OF SAN MATEO,  
a political subdivision of the State of California

By: \_\_\_\_\_  
Richard S. Gordon  
President, Board of Supervisors

Attest:

\_\_\_\_\_  
Clerk of the Board

Resolution No.: \_\_\_\_\_