



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



**DATE:** November 28, 2011  
**BOARD MEETING DATE:** December 13, 2011  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** Majority

**TO:** Honorable Board of Supervisors

**FROM:** Steve Alms, Manager, Real Property Division

**SUBJECT:** First Amendment to Lease Agreement with 1390 El Camino Real, LLC, a California Limited Liability Company, of office space at 1390 El Camino Real, San Carlos, California (Lease No. 1288)

**RECOMMENDATION:**

Adopt a Resolution authorizing the:

1. President of the Board of Supervisors to execute a First Amendment to Lease Agreement with 1390 El Camino Real, LLC, a California Limited Liability Company, of office space at 1390 El Camino Real, San Carlos, California, extending the Term for one year to January 31, 2013, eliminating County's Extension Options, authorizing the County to terminate the Lease on 90 days notice and increasing the Base Rent from \$3,743.17 to \$4,363.95 per month; and
2. County Manager or his designee to accept or execute notices, options and documents associated with the First Amendment and Lease including, but not limited to, extension or termination of the Lease under the terms set forth therein.

**BACKGROUND:**

In February 2009, the County and 1390 El Camino Real, LLC (the "Landlord") entered into a Lease Agreement of approximately 1857 square feet of office space at 1390 El Camino Real in San Carlos, for the use of the Sheriff's Jail Planning Unit (the "JPU"). The Lease expires on January 31, 2012, and the current Monthly Rental rate is \$3,743.17, which increases 3% annually. The Lease contains three options for the County to extend the Term for one additional year each, but the County has opted not to exercise the options. The County and Landlord desire to amend the Lease to extend the Term for one additional year, to eliminate County's Extension Options, authorize the County to terminate the Lease on 90 days notice and increase the Base Rent, but otherwise under the same terms and conditions.

**DISCUSSION:**

Real Property Services has negotiated a First Amendment to Lease Agreement which extends the Term for one year to January 31, 2013, eliminates the County's Extension Options, authorizes the County to terminate the Lease effective April 30, 2012 or later on 90 days written notice and increases the Base Rent from \$3,743.17 to \$4,363.95 per

month. There are no changes to the Premises or use of the facility as a result of this Amendment.

County Counsel has reviewed and approved the Amendment and Resolution as to form. The Sheriff concurs in this recommendation.

Approval of the Amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by establishing an agreement that allows the Jail Planning Unit to continue to work from a centralized and affordable location.

**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 \$2.35 per square foot per month, which compares favorably with the Countywide average asking rate of \$3.16 per month.

<b>Measure</b>	<b>FY 2011-12 Actual</b>	<b>Avg. Asking Rate San Mateo County Q3-2011</b>
Monthly Rate:	\$2.35	\$3.16

**FISCAL IMPACT:**

The initial rent of \$4,363.95 per month is included in the adopted FY 2011-12 budget of the Sheriff's Office.

cc:/enc: Eugene Whitlock, Deputy County Counsel  
cc: Greg Munks, Sheriff  
Deborah Bazan, Lieutenant, Sheriff's Office

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

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

\* \* \* \* \*

**RESOLUTION AUTHORIZING THE: 1) PRESIDENT OF THE BOARD OF SUPERVISORS TO EXECUTE A FIRST AMENDMENT TO LEASE AGREEMENT WITH 1390 EL CAMINO REAL, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, OF OFFICE SPACE AT 1390 EL CAMINO REAL, SAN CARLOS, CALIFORNIA, EXTENDING THE TERM FOR ONE YEAR TO JANUARY 31, 2013, ELIMINATING COUNTY'S EXTENSION OPTIONS, AUTHORIZING THE COUNTY TO TERMINATE THE LEASE ON 90 DAYS NOTICE AND INCREASING THE BASE RENT FROM \$3,743.17 TO \$4,363.95 PER MONTH; AND 2) COUNTY MANAGER OR HIS DESIGNEE TO ACCEPT OR EXECUTE NOTICES, OPTIONS AND DOCUMENTS ASSOCIATED WITH THE FIRST AMENDMENT AND LEASE INCLUDING, BUT NOT LIMITED TO, EXTENSION OR TERMINATION OF THE LEASE UNDER THE TERMS SET FORTH THEREIN. (PERMIT NO. 1288)**

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

**WHEREAS**, in February 2009, the County of San Mateo and 1390 El Camino Real, LLC (the "Landlord"), as authorized by Resolution No. 69915, entered into a Lease Agreement for the use of approximately 1857 square feet of office space at 1390 El Camino Real in San Carlos, for the use of the Sheriff's Jail Planning Unit, and

**WHEREAS**, the Lease expires on January 31, 2012, and the current Monthly Rental rate is \$3,743.17. The County and Landlord wish to amend the agreement to extend the Term, eliminate County's Extension Options, authorize the County to terminate the Lease on 90 days notice and increase the Base Rent; and

**WHEREAS**, there has been presented to this Board of Supervisors for its consideration and acceptance a First Amendment to Lease Agreement, reference to which is hereby made for further particulars, extending the Term by one year to January 31, 2013 eliminate County's Extension Options, authorize the County to terminate the

Lease effective April 30, 2012 or later on 90 days written notice and increase the Base Rent from \$3,743.17 to \$4,363.95 per month, in accordance with the terms and conditions contained in the First Amendment and Lease, and

**WHEREAS**, this Board has been presented with the First Amendment to Lease Agreement and has examined and approved same as to both form and content and

**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 First 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 First Amendment and Lease including, but not limited to, extension or termination of the Lease under the terms set forth therein.

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**FIRST AMENDMENT TO LEASE AGREEMENT  
No. 1288**

This First Amendment to Lease Agreement ("Amendment"), dated for reference purposes only as of December 13, 2011 is by and between 1390 EL CAMINO REAL, LLC, a California Limited Liability Company ("Landlord"), and the COUNTY OF SAN MATEO, a political subdivision of the State of California ("County" or "Tenant").

**Recitals**

A. As authorized by San Mateo County Resolution No. 69915, Landlord and Tenant entered into a lease agreement, dated for reference purposes as of February 10, 2009, for approximately 1857 square feet of rentable space (the "Premises") in that certain building commonly known as 1390 El Camino Real, San Carlos, California, for the use of the Sheriff's Jail Planning Unit (the "JPU").

B. The Lease expires on January 31, 2012, and County has three options to extend the Term for one year each.

C. Landlord and County wish to amend the Lease to extend the Term under the same terms and conditions, to eliminate County's Extension Options, and to grant County the right to terminate the Lease 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 notwithstanding, the Expiration Date of the Lease is hereby amended to January 31, 2013.
2. **Extension Options.** Any references to options to extend the Lease notwithstanding, Section 3.3 (Extension Options) of the Lease is hereby deleted in its entirety and County shall have no further options to extend the Lease.
3. **Early Termination.** Any references to the early termination of the Lease notwithstanding, County shall have the right to terminate the Lease effective April 30, 2012 or later, without any penalty, fee or other liability, by giving Landlord not less than ninety (90) days prior written notice (the "Termination Option").
4. **Base Rent.** Any references to the Base Rent of the Lease notwithstanding, effective February 1, 2012, the Base Rent shall be \$4,363.95 per month, which rate shall be in effect through January 31, 2013.
5. **Effective Date; Approval.** This First Amendment shall become effective (the "Effective Date") when the County Board of Supervisors adopts a resolution

authorizing the execution of this First Amendment, and the First Amendment is duly executed by the County and the 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 FIRST 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 FIRST 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.

6. **Counterparts.** This First 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.
7. **No Further Amendments; Conflicts.** All the terms and conditions of the Lease remain in full force and effect except as expressly amended herein. The Lease as amended by this First Amendment constitutes the entire agreement between Landlord and County regarding the leased premises 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 and the terms of this First Amendment, the terms of this First Amendment shall control.

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Landlord and County have executed this First Amendment as of the date first written above.

**LANDLORD:**

1390 EL CAMINO REAL, LLC,  
a California Limited Liability Company

By: \_\_\_\_\_

Its: \_\_\_\_\_

**COUNTY:**

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

By: \_\_\_\_\_

Carole Groom  
President, Board of Supervisors

Attest:

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

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