



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Department of Housing



DATE: June 7, 2012
BOARD MEETING DATE: June 26, 2012
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors (Sitting as the Board of Commissioners of the Housing Authority)

FROM: Duane Bay, Director of Housing
William Lowell, Executive Director, Housing Authority

SUBJECT: Execution of a Lease Agreement with Peninsula Family Service

RECOMMENDATION:

Adopt Resolution No. 2012-08 authorizing the Executive Director of the Housing Authority of the County of San Mateo to execute a Lease Agreement effective July 1, 2012, between the Housing Authority, Landlord, and Peninsula Family Service, Tenants, for space located at Midway Village, 45 Midway Drive, Daly City, to provide child care services at the facility through June 30, 2015 with the option of a two-year extension at the expiration of the term.

BACKGROUND:

Midway Village is owned and operated by the Housing Authority of the County of San Mateo (HACSM). The Midway Village campus contains space at 45 Midway Drive in which child care services are provided. In March 1986, HACSM executed a Lease Agreement with Bayshore Child Care Services (Bayshore), to lease the space at Midway Village. The agreement continued on a month-to-month basis after the initial one-year term with a monthly rent amount of \$300.

Bayshore has been working with Peninsula Family Service to take over the child care programs as a way to preserve child care in the community. Bayshore and Peninsula Family Service have very similar child care programs, serving the low income families in our communities. Bayshore and Peninsula Family Service will merge on July 1, 2012, and the organization will continue to provide child care services at the Midway Village facility.

DISCUSSION:

At the joint request of Bayshore and Peninsula Family Service, HACSM will enter into a new Lease Agreement with Peninsula Family Service effective July 1, 2012. The monthly rent rate of \$300 will continue through June 30, 2013. The base rent will be increased by

3% effective July 1, 2013, and by 4% effective July 1, 2014. The Lease term will extend through June 30, 2015, and provide for the option of a two-year extension at the expiration of the term.

County Counsel has reviewed and approved the Resolution as to form.

Approval of this Resolution contributes to the Shared Vision 2025 outcome of a Livable Community by supporting subsidized child care services to working families in the community.

FISCAL IMPACT:

There is no Net County Cost associated with this action. Revenue from the lease of the space becomes part of the general operating funds of HACSM for operation of its housing developments.