



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
County Manager



**Date:** May 1, 2013  
**Board Meeting Date:** May 21, 2013  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** John Maltbie, County Manager

**Subject:** Amendments to Lease Agreements with Harbor Belmont Associates in unincorporated Belmont (Lease Nos. 1185 and 1162)

**RECOMMENDATION:**

Adopt a Resolution authorizing:

- A) An amendment to the lease agreement with Harbor Belmont Associates, a California General Partnership, of office space at 264 Harbor Boulevard in unincorporated Belmont, extending the term through April 30, 2014, increasing the base rent from \$38,422.80 to \$39,363.00, and authorizing the County to terminate the Lease on 90 days' notice; and
- B) An amendment to the lease agreement with Harbor Belmont Associates, a California General Partnership, of office space at 310 Harbor Boulevard in unincorporated Belmont, extending the term through April 30, 2014, increasing the base rent from \$19,920 to \$20,407, and authorizing the County to terminate the Lease on 90 days' notice.

**BACKGROUND:**

In December 1992, the County and Harbor Belmont Associates (the "Landlord") entered into a Lease Agreement of office space at 264 Harbor Boulevard in Belmont (Lease 1185), for the use of the Human Services Agency ("HSA"), Department of Housing and Housing Authority ("Housing"). The County and Landlord subsequently entered into a series of amendments to the Lease which modified the area of the Premises and extended the Term. The 264 Harbor Boulevard Lease expires on April 30, 2013, and the County is currently exploring options to relocate HSA and Housing or negotiate a new long term lease in the existing space. It is expected that a plan will be in place by late summer 2013. The County and Landlord desire to further amend the 264 Harbor Boulevard Lease to extend the Term for one additional year to April 30, 2014, increase the rent, and authorize the County to terminate the Lease on 90 days' notice, but otherwise under the same terms and conditions.

In November of 2003, the County and Landlord entered into a Lease Agreement of office space at 310 Harbor Boulevard in Belmont (Lease 1262), for the use of various programs of the Human Services Agency ("HSA"). The County and Landlord subsequently entered into an amendment to the Lease which modified the area of the Premises and extended the Term. The Premises is now occupied by Behavioral Health and Recovery Services. The 310 Harbor Boulevard Lease expires on April 30, 2013, and the County is currently exploring options to relocate a portion of the functions at this location and negotiate a new long term lease for the remaining space. It is expected that a plan will be in place by late summer 2013. The County and Landlord desire to amend the 310 Harbor Boulevard Lease to extend the Term for one additional year to April 30, 2014, increase the rent and authorize the County to terminate the Lease on 90 days' notice, but otherwise under the same terms and conditions.

**DISCUSSION:**

Real Property Services has negotiated a Sixth Amendment to Lease Agreement which extends the Term of the Lease at 264 Harbor Boulevard for one year to April 30, 2014, increases the monthly base rent to \$39,363.00 and authorizes the County to terminate the Lease on 90 days' notice. Real Property Services has also negotiated a Second Amendment to Lease Agreement which extends the Term the Lease at 310 Harbor Boulevard for one year to April 30, 2014, increases the monthly base rent to \$20,407.00 and authorizes the County to terminate the Lease on 90 days' notice. There are no changes to the Premises or use of the facilities as a result of the Amendments.

County Counsel has reviewed and approved the Amendments and Resolution as to form. The Directors of the Housing Department and the Human Services Agency as well as the Chief of the Health System concur in this recommendation.

Approval of the Amendments contributes to the Shared Vision 2025 outcome of a Healthy Community by establishing agreements that allow the County of San Mateo to continue to provide essential functions from a centralized location.

**FISCAL IMPACT:**

The monthly rents of \$39,363.00 and \$20,407.00 per month are included in p FY 2012-13 budgets of the Housing Department, the Human Services Agency and the Health System, respectively.