



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager



Date: January 22, 2015

Board Meeting Date: February 24, 2015

Special Notice / Hearing: None

Vote Required: Majority

To: Honorable Board of Supervisors

From: John L. Maltbie, County Manager

Subject: Lease Agreement with Harbor Belmont Associates for office space at 262 Harbor Boulevard, Belmont for use by the County's Department of Public Works for County administrative functions.

RECOMMENDATION:

Adopt a resolution authorizing a lease agreement with Harbor Belmont Associates, a California General Partnership, for use of 4,362 square feet of office space located at 262 Harbor Boulevard, Belmont, California, for an initial term of three years, with two options to extend for an additional one year each, at an initial monthly base rent of \$8,069.70.

BACKGROUND:

The County desires to enter into a lease for use by the Department of Public Works as transitional swing space for County employees, as they reallocate and update the County's existing facilities according to the 2011 Facility Master Plan. This lease would provide turn-key office space for up to 30 staff members in a location centrally located to County operations.

DISCUSSION:

Real Property Services has negotiated a new lease with Harbor Belmont Associates, whereby the County shall lease 4,362 square feet of office space at 262 Harbor Blvd, Building A, in unincorporated Belmont, for a term of three years, commencing on March 1, 2015 with two options to extend for an additional one year each, at an initial monthly base rent of \$8,069.70, which will increase annually by 3% during the initial term. The Landlord will make all necessary ADA improvements within 180 days of the Commencement Date, paint the entire premises and clean the carpets at no cost to the County.

County Counsel has reviewed and approved the lease and resolution as to form. The Director of Public Works concurs with this recommendation.

Approval of the lease contributes to the Shared Vision 2025 outcome of a Collaborative Community by establishing an agreement that allows the County of San Mateo to provide uninterrupted essential functions to the community.

PERFORMANCE MEASURE(S):

| Measure | FY 2014-15 Actual | Avg. Asking Rate Q4-2014 |
|-------------------------------|--------------------------|-------------------------------------|
| Monthly cost per square foot: | \$1.85 (full service) | \$3.88 (full service) |

FISCAL IMPACT:

The initial monthly rent of \$8,069.70 has been budgeted in the Fiscal Year 2014-15 Adopted Budget.