



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
County Managers Office/Clerk of the Board



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<b>Date:</b>	April 9, 2012
<b>Board Meeting Date:</b>	April 24, 2012
<b>Special Notice / Hearing:</b>	None
<b>Vote Required:</b>	Majority

**To:** Honorable Board of Supervisors  
**From:** Margaret Jensen, Deputy County Manager  
**Subject:** First Amendment to Lease Agreement with Vista Marin, LLC, a California Limited Liability Company, of office space at 900 Veterans Blvd, Redwood City, California (Lease No. 1282)

**RECOMMENDATION:**

Adopt a Resolution authorizing:

1. The President of the Board of Supervisors to execute a First Amendment to Lease Agreement with Vista Marin, LLC, a California Limited Liability Company, of office space at 900 Veterans Blvd, Redwood City, California, extending the Term for one year to April 30, 2013, authorizing the County to terminate the Lease on 180 days notice and increasing the Base Rent from \$11,497.90 to \$11,720.44 per month; and
2. The 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 May 2007, the County and Vista Marin, LLC (the "Landlord") entered into a Lease Agreement of approximately 3,709 square feet of office space at 900 Veterans Blvd in Redwood City, for the use of Behavioral Health Services back office staff. The Lease expires on April 30, 2012, and the current Monthly Rental rate is \$11,497.90, which increases by approximately 3.5% annually. The Lease contains one option for the County to extend the Term for five additional years, but the County has opted not to exercise the option as staff at this location is slated to relocate to the County-owned Circle Star office complex later this year. The County and Landlord desire to amend the Lease to extend the Term for one additional year, authorize the County to terminate the Lease on 180 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 April 30, 2013, authorizes the County to terminate the Lease on 180 days written notice and increases the Base Rent from \$11,497.90 to \$11,720.44 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 Chief of the Health System 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 Health system to continue to provide essential functions from an accessible and convenient location.

**PERFORMANCE MEASURE(S):**

Measure	FY 2011-12 Actual	Avg. Asking Rate, San Mateo County, Q4-2011
Monthly Rate:	\$3.16	\$3.16

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 \$3.16 per square foot per month, which is comparable to the Countywide average asking rate of \$3.16 square foot per month.

**FISCAL IMPACT:**

The initial rent of \$11,720.44 per month is included in the adopted FY 2011-12 budget of the Health System.