



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



**Date:** August 31, 2016  
**Board Meeting Date:** October 4, 2016  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** John L. Maltbie, County Manager

**Subject:** Amendment to the Lease Agreement with Vista Marin, LLC, for office space at 900 Veterans Boulevard in Redwood City, to be used by the County's Health System

**RECOMMENDATION:**

Adopt a resolution:

- A) Authorizing the President of the Board of Supervisors to execute a Sixth Amendment to the Lease agreement with Vista Marin, LLC, for 2,150 square feet of office space located at 900 Veterans Boulevard in Redwood City for use by the County's Health System for administrative functions through January 31, 2017 at a monthly base rent of \$10,642.50; and
- B) Authorizing the County Manager, or his designee, to accept or execute on behalf of the County any and all notices, options, consents, approvals, terminations, and documents in connection with the amendment to the agreement.

**BACKGROUND:**

The County has leased office space at the commercial office building located at 900 Veterans Boulevard in Redwood City ("Property"), for use by Behavioral Health and Recovery Services (BHRS) since 2007. Since the execution of the original lease, there have been five amendments to extend the term, adjust the rental rate, authorize the County to terminate the Lease on 180 days-notice, and reduce the total leased space. BHRS has already moved half of its staff previously located at this facility to other sites. The relocation of the remaining staff will occur after renovations are complete at the Shasta, Harbor, and Brewster facilities. The Lease Agreement as currently amended will expire on October 31, 2016.

**DISCUSSION:**

Real Property Services has negotiated a Sixth Amendment to the Lease Agreement for 2,150 square feet of office space known as Suite 330 ("Premises"). The Lease will be extended to January 31, 2017 at a monthly base rent of \$10,642.50.

County Counsel has reviewed and approved the lease agreement and resolution as to form. The Deputy Director of Behavioral Health and Recovery Services concurs in this recommendation.

Approval of this sixth amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by allowing the Health System to provide essential health services to the residents of San Mateo County.

**PERFORMANCE MEASURE(S):**

<b>Measure</b>	<b>FY 2016-17 Actual</b>	<b>Avg. Asking Rent (Class A) Redwood City Q2-2016</b>
<b>Monthly Rental Rate:</b>	<b>\$4.95 Full Service</b>	<b>\$4.30 Full Service</b>

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 \$4.95 per square foot per month, which is higher than the Redwood City average asking rate for Class A office space of \$4.30 full service per square foot per month. However, the lease is for a short term and the location is superior to many other office spaces in Redwood City.

**FISCAL IMPACT:**

The monthly rent of \$10,642.50 has been budgeted in the Fiscal Year 2016-17 budget.