

**RESOLUTION NO. 071179**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION AUTHORIZING THE COUNTY MANAGER, OR HIS DESIGNEE, TO  
1) NEGOTIATE THE PRICE AND TERMS OF, AND EXECUTE A LEASE WITH 2700  
MIDDLEFIELD LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, FOR THE  
COUNTY TO LEASE THE ENTIRE THREE STORY, 36,000 SQUARE FOOT  
MEDICAL OFFICE BUILDING TO BE CONSTRUCTED BY LANDLORD AT 2700  
MIDDLEFIELD ROAD IN UNINCORPORATED REDWOOD CITY, AT AN INITIAL  
ANNUAL RENT OF \$1,175,000, FOR A TERM OF THIRTY YEARS, WITH TWO  
OPTIONS TO EXTEND FOR AN ADDITIONAL FIVE YEARS EACH, AND  
2) NEGOTIATE AN OFFSET AGAINST SUCH RENT IN THE ANNUAL AMOUNT OF  
\$215,000 IN CONSIDERATION OF THE PAYMENT TO LANDLORD OF \$4,300,000  
IN FUNDS GRANTED TO THE COUNTY BY THE SEQUOIA HEALTHCARE  
DISTRICT AS A CONTRIBUTION TOWARD THE COST OF LEASEHOLD  
IMPROVEMENTS MADE TO THE BUILDING BY LANDLORD ON BEHALF OF THE  
COUNTY, AND 3) EXECUTE NOTICES, OPTIONS AND DOCUMENTS ASSOCIATED  
WITH THE LEASE INCLUDING, BUT NOT LIMITED TO, EXTENSION OR  
TERMINATION OF THE AGREEMENTS UNDER THE TERMS SET FORTH THEREIN  
(LEASE NO. 1292)**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of  
California, that

**WHEREAS**, this Board desires to authorize the County Manager or his  
designee to negotiate a lease of real property ("Lease"), whereby the County of San  
Mateo shall lease from 2700 Middlefield LLC ("Landlord") the entire three-story building  
to be constructed by Landlord at 2700 Middlefield Road in Unincorporated Redwood  
City, consisting of approximately 36,000 square feet of medical office space ("Building"),  
at an annual rent of \$1,175,000, for a term of thirty years with two options to extend for  
an additional five years each; and

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**WHEREAS**, the Board further desires to authorize the County Manager or his designee to negotiate an offset from such rent in the annual amount of \$215,000 in consideration of the payment to Landlord of \$4,300,000 in funds granted to the County by the Sequoia Healthcare District as a contribution toward the cost of leasehold improvements made to the Building by Landlord on behalf of the County; and

**WHEREAS**, the Board further desires that the Lease shall provide that, commencing at the beginning of the sixth year of the County's occupancy of the Building, the County shall have the option to purchase the Building at the then fair market value, but in no event for less than the actual, documented cost of the land and building; and

**WHEREAS**, the Lease shall commence upon execution and expire on the date that is thirty years from the date of substantial completion of construction of the Building unless otherwise extended or terminated as set forth therein.

**NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the County Manager be, and is hereby, authorized and directed to negotiate the terms and execute such Lease as set forth hereinabove for and on behalf of the County of San Mateo, and the Clerk of this Board shall attest the County Manager's signature thereto; and

**IT IS FURTHER DETERMINED AND ORDERED** that the County Manager or his designee is hereby authorized to accept or execute on behalf of the County, any and all written notices, options and documents associated with the Lease including, but not limited to, extension or termination of the agreement under the terms set forth therein.

\* \* \* \* \*

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Regularly passed and adopted this 14<sup>th</sup> day of December, 2010.

AYES and in favor of said resolution:

Supervisors:

MARK CHURCH

CAROLE GROOM

ROSE JACOBS GIBSON

ADRIENNE J. TISSIER

NOES and against said resolution:

Supervisors:

NONE

Absent Supervisors:

NONE

Carole Groom

Vice President, Board of Supervisors  
County of San Mateo  
State of California

Certificate of Delivery

I certify that a copy of the original resolution filed in the Office of the Clerk of the Board of Supervisors of San Mateo County has been delivered to the President of the Board of Supervisors.

Marie L. Peterson

Marie L. Peterson, Deputy  
Clerk of the Board of Supervisors

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