



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** COUNTY MANAGER

**File #:** 18-1134

Board Meeting Date: 12/11/2018

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Michael P. Callagy, County Manager

**Subject:** Amendment to Lease Agreement with Aigean Properties for office space at 785 Main Street, in Half Moon Bay, for use by the Department of Agriculture/Weights and Measures (Lease No. 1196)

### **RECOMMENDATION:**

Adopt a resolution authorizing:

- A) The President of the Board of Supervisors to execute an amendment to the lease agreement with Aigean Properties for office space located at 785 Main Street, Half Moon Bay through December 1, 2019, at a monthly base rent of \$3,688.75; and
- B) The County Manager, or his designee, to accept or execute on behalf of the County of San Mateo any and all notices, options, consents, approvals, terminations, and documents in connection with the lease agreement.

### **BACKGROUND:**

The County of San Mateo has been leasing office space at 785 Main Street in Half Moon Bay for use by the Department of Agriculture/Weights and Measures since 1994. The Lease has been amended to extend the term and add additional square footage a number of times, most recently on December 31, 2004. The County has been in a month-to-month tenancy since 2005.

### **DISCUSSION:**

Real Property Services has negotiated an amendment to the Lease that extends the term to December 1, 2019 and expands the premises from 810 square feet to 1,135 square feet. The per square foot rental rate remains at \$3.25 per month Full Service, but due to the expansion of the premises, the total monthly rent amount will increase from \$2,629.06 to \$3,688.75.

County Counsel has reviewed and approved the amendment to the lease agreement and resolution as to form. The Department of Agriculture/Weights and Measures concurs in this recommendation.

Approval of this sixth amendment contributes to the Shared Vision 2025 outcome of Environmentally

Conscious Community by securing office space for the Department of Agriculture/Weights and Measures' activities on the Coastsides.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2018-19 Actual</b>	<b>Avg. Asking Rent in San Mateo County Q3 -2018</b>
Monthly Rental Rate:	\$3.25 FS	\$4.93 FS

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 \$3.25 per square foot per month full service, which compares favorably with the average asking rates for Class B/C office space in the County of \$4.93 FS per square foot per month. Because of reduced demand for office space on the San Mateo County coast, asking rates on the coast tend to be substantially less than average asking rents in the County as a whole. The monthly base rental rate for the leased space in this instance represents an extension of the existing agreed upon price per square foot without any additional upward adjustment.

**FISCAL IMPACT:**

The monthly rent has been budgeted in the Fiscal Year 2018-19 Adopted Budget.