



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 20-060

Board Meeting Date: 2/25/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Don Grady, Real Property Manager

Subject: First Amendment to Lease Agreement with Harbor Belmont Associates for the County's leasing of 262 Harbor Blvd., Belmont, California (Lease No. 1310)

RECOMMENDATION:

Adopt a resolution authorizing:

- A) An amendment to Lease Agreement with Harbor Belmont Associates, a California General Partnership, for continued use of 4,362 square feet of office space, located at 262 Harbor Blvd., in the unincorporated area of Belmont, California, for an initial term of two (2) years, with one (1) option to extend for one (1) year each, at an initial monthly Base Rent of \$12,344.46, full-service gross; and
- B) The County Manager, or designee, to accept or execute on behalf of the County any and all notices, options, consents, approvals, terminations, and documents in connection with the lease agreement.

BACKGROUND:

The County has been leasing 4,362 square feet of office space at 262 Harbor Blvd., in Belmont, since 2015. The space is currently being used by the County's Behavioral Health and Recovery Services. The County desires to extend this lease for an additional two (2) years, with one (1) option to extend the term for one (1) year. The initial monthly Base Rent will be \$12,344.46, full-service gross.

DISCUSSION:

Real Property has negotiated a First Amendment to Lease Agreement with Harbor Belmont Associates for continued use of 4,362 square feet of office space for a term of two years, with one option to extend for an additional one year. The initial rate of \$12,344.46 per month is based on \$2.83 per square foot per month, gross. The Base Rent will be subject to an annual increase of 3%.

County Counsel has reviewed and approved the agreement and resolution as to form.

PERFORMANCE MEASURE(S):

Measure	FY 2019-20 Actual	Avg. Asking Rate Belmont Q4-2019
Monthly Rate:	\$2.83	\$5.24

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 \$2.83 per square foot per month, which compares favorably with the Belmont average asking rate of \$5.24 per square foot per month in Q4 of 2019.

FISCAL IMPACT:

The initial monthly rent of \$12,344.46 has been budgeted for Fiscal Years 2019-2021.