



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 21-343

Board Meeting Date: 5/4/2021

Special Notice/Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Michael P. Callagy, County Manager

Subject: Third Amendment to License Agreement with Arch Light LLC for space at 1320 Marshall Street, in Redwood City, for use by the County of San Mateo's Information Services Department (License No. 1308)

RECOMMENDATION:

Adopt a resolution authorizing:

- A) The President of the Board of Supervisors to execute the Third Amendment to the License Agreement with Arch Light LLC, at 1320 Marshall Street in Redwood City for the County of San Mateo's Information Services Department Radio Shop by extending the term from June 30, 2021 through February 28, 2022 at the monthly rent of \$58,520, with annual 2% increases; and
- B) The County Manager, or their designee, to accept or execute notices, options, and documents associated with the License including, but not limited to, extension or termination of the agreement under the terms set forth therein.

BACKGROUND:

The County of San Mateo, Information Services Department has occupied approximately 10,000 square feet of warehouse, office and data center space at 1320 Marshall Street in Redwood City since 2014. In 2019, the County relinquished 1200 square feet of the space upon completion of the new Regional Operations Center, but retained the remainder of 8,800 square feet. The Radio Shop must continue in place until the new space is complete at the County's Grant Yard facility, which is expected to be completed by November 2021. This delay necessitates an extension of the existing license through February 28, 2022 to allow for the completion of the new space and a 3-month timeframe to decommission the space at Marshall Street before returning it back to Arch Light LLC.

DISCUSSION:

Real Property Services has negotiated a short-term extension to accommodate the construction delay of the New Radio Shop. The term will be extended from June 30, 2021 to February 28, 2022 at

the monthly base rental amount of \$58,520 (\$6.65/sf) for its use of 8,800 square feet of space. The License is subject to a 2% annual increase, effective on December 1, 2021.

FISCAL IMPACT:

Rent for the extended term will be \$471,655. In FY 2020-21, Proposition 172 - Realignment Sales Tax funding in the amount of \$600,000 was appropriated in ISD's FY 2020-21 Adopted Budget. ISD will request additional Proposition 172 - Realignment Sales Tax appropriations in the amount of \$475,000 during FY 2021-22 Recommended budget submissions for this lease amendment.