



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 22-029

Board Meeting Date: 1/11/2022

Special Notice/Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Michael P. Callagy, County Manager
Subject: Public Guardian Lease Agreement at 2690 Middlefield Road, in Redwood City (Lease No. 1339)

RECOMMENDATIONS:

Adopt a resolution authorizing:

- A) The President of the Board of Supervisors to execute a Lease Agreement with Redwood Junction, LLC, a California limited liability company, to allow Public Guardian, Aging and Adult Services the occupancy of the 15,000 square foot office and warehouse space, known as Suites A, B and C located at 2690 Middlefield Road, in Redwood City, for a ten (10) year term, at an initial monthly Base Rent of \$27,750 plus utilities, with annual 3% increases; and
- B) The County Manager, or their designee, to accept or execute notices, options and documents associated with the Agreement including, but not limited to, extension or termination of the agreement under the terms set forth therein.

BACKGROUND:

The Public Guardian, Aging & Adult Services Program has occupied 11,674 square feet of warehouse and office space at 330 Harbor Boulevard, in Belmont, since 2012 for the storage of clients' personal property until it is auctioned for funds to pay for personal care or dispersed to appropriate heirs/beneficiaries. That lease is scheduled to expire on February 28, 2022, and the program must relocate to a new facility.

DISCUSSION:

Real Property Services has negotiated a monthly base rental amount of Twenty-Seven Thousand Seven Hundred Fifty Dollars (\$27,750) for the 15,000 square foot office space and warehouse space, known as Suite A, B and C, plus an estimated Four Thousand Two Hundred Dollars (\$4,200) per month for its proportionate share of operating expenses. Public Guardian will be required to pay a refundable security deposit in the amount of \$40,407.46, which is considered last month's rent plus operating costs. Rent will be subject to a 3% annual increase, for a term of Ten (10) years.

Landlord will provide improvements necessary for the operation of Aging & Adult Services Program.

FISCAL IMPACT:

The Funds set forth herein is estimated at \$412,200 annually and will be paid 65% State and Federal reimbursements and 35% from County General Funds. County General Funds will be reallocated as part of the County budget process to appropriate necessary funds for this lease obligation. There is no net impact to the General Fund.