



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY EXECUTIVE

File #: 22-543

Board Meeting Date: 7/12/2022

Special Notice/Hearing: None
Vote Required: 4/5 Vote

To: Honorable Board of Supervisors

From: Michael P. Callagy, County Executive

Subject: First Amendment to Lease Agreement for 270 Capistrano Road, Unit #6, Half Moon Bay (Lease No. 1283)

RECOMMENDATIONS:

Adopt a resolution authorizing:

- A) The President of the Board of Supervisors to execute a First Amendment to the Lease Agreement with Point Pillar Project Developers, LLC, to extend the Lease term through October 30, 2027, with one 5 year option to extend, for a total monthly Base Rent of \$3,375 per month, gross, with annual 5% increases; and
- B) The County Executive, or 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:

On November 5, 2021, the County entered into a Lease Agreement with Point Pillar Project Developers, LLC, for 1,978 square feet of office space at the office complex at 270 Capistrano Road, in Half Moon Bay (Original Lease) for a term of one (1) year to allow Sheriff time to assess if the Sheriff Community Engagement Program was a good fit for this location.

DISCUSSION:

The Sheriff's Office has determined that this location is appropriate for the Sheriff Community Engagement Program. Real Property Services has therefore negotiated an extension of the Lease for a term of five (5) years, with one option to extend the term for an additional five (5) years. The monthly base rental amount has been negotiated to Three Thousand Three Hundred Seventy-Five Dollars (\$3,375) per month. The Base Rent includes all taxes, insurance, and common area maintenance of the Premises. County is responsible to pay for gas, electric, security, janitorial, phone and data services.

The Base Rent shall be increased annually by 5% through the end of the term, and the one 5-year extension option thereafter. No other terms of the lease are being amended at this time.

FISCAL IMPACT:

Real Property Services has negotiated the monthly Base Rent of \$1.706 per square foot per month for the office space. The Rent shall be increased annually by 5% through the end of the term on October 30, 2027, and the one 5-year extension option thereafter. The County will accept the premises in its AS-IS condition with no tenant improvements.