



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 16-1208, Version: 1

- a. Approve and authorize the Contracts/Purchasing Officer to execute a five (5) year Lease Agreement with Moffett Creek Ranch Partnership for 7,200 square feet of space located at 17822 Moro Road, Prunedale, California, for use by the Monterey County Free Libraries, Prunedale Branch;
- b. Direct the Auditor-Controller to make lease payments of \$4,677.12 per month, effective July 1, 2016, and in accordance with the terms of Article 4 - Annual Rent Adjustment of the Lease Agreement; and
- c. Authorize the optional extension of the Lease Agreement for two (2) additional five (5) year terms under the same terms and conditions, and minor revisions to the Lease Agreement if deemed to be in the best interest of the County by the Contracts/Purchasing Officer.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to execute a five (5) year Lease Agreement with Moffett Creek Ranch Partnership for 7,200 square feet of space located at 17822 Moro Road, Prunedale, California, for use by the Monterey County Free Libraries, Prunedale Branch;
- b. Direct the Auditor-Controller to make lease payments of \$4,677.12 per month, effective July 1, 2016, and in accordance with the terms of Article 4 - Annual Rent Adjustment of the Lease Agreement; and
- c. Authorize the optional extension of the Lease Agreement for two (2) additional five (5) year terms under the same terms and conditions, and minor revisions to the Lease Agreement if deemed to be in the best interest of the County by the Contracts/Purchasing Officer.

SUMMARY/ DISCUSSION:

The Monterey County Free Libraries, Prunedale Branch has occupied 7,200 square feet of space at 17822 Moro Road, in Prunedale, California, since January 1986. The Department has continued to occupy the space on a month-to-month basis since July 31, 2011. The property has been recently sold to Moffett Creek Ranch Partnership in December 2013. The Department desires to remain at this location under terms and conditions of a new Lease Agreement. This action provides for the continued occupancy by the Department through June 30, 2021.

The monthly rent is \$4,677.12 per month for the first year of the Lease Agreement term through June 30, 2017 and \$5,760.12 per month during the remainder of the initial five (5) year term from July 1, 2017 through June 30, 2021. The Lease Agreement provides for two (2) additional five (5) year terms under the same terms and conditions, with a 10% rental increase at the end of each five (5) year extended term. The Landlord is completing numerous interior and exterior improvements to the building and complex, including improvements to enhance Americans with Disabilities Act (ADA) compliance. A "Termination by County" clause (without penalty) is incorporated into the Lease Agreement. Occupancy of the identified facility continues to offer proximity and access to the Community, and is cost effective.

OTHER AGENCY INVOLVEMENT:

The Resource Management Agency-Administrative Services facilitated the development of the Lease Agreement, and assisted with the development of this report. The Office of the County Counsel has reviewed and approved the proposed Lease Agreement as to form and legality. Risk Management has approved the Lease Agreement as to insurance and indemnity.

FINANCING:

There is no additional impact to the General Fund. Sufficient funds are available in the FY 2016-2017 Monterey County Free Libraries Budget Unit 6110, Fund 003. The first year leasing cost will amount to \$56,125.44. The property owner will be responsible for costs associated with property taxes and assessments, fire insurance, major maintenance and structural repairs, as needed. The ongoing occupation of the leased premises and future renewal of the Lease Agreement will be based on the continued availability of funding from the Monterey County Free Libraries.

Prepared by:

Approved by:

Jacqueline C. Bleisch
Administrative Services Assistant

Jayanti Addleman
Library Director

Date:

Date:

Attachments:

Lease Agreement and Location Map