



County of Monterey

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

Board Report

File #: 16-1358, Version: 1

- a. Approve and authorize the Contracts/Purchasing Officer to execute a Third Amendment to extend the Lease Agreement A-08449, effective upon mutual execution, with LaGuardia, LLC until December 31, 2017 for 28,244 square feet of general office and training space for use by the Department of Social Services; and
- b. Authorize the Auditor/Controller to make Lease payments of \$42,168 per month in accordance with the terms of the Lease Agreement.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to execute a Third Amendment to extend the Lease Agreement A-08449, effective upon mutual execution, with LaGuardia, LLC until December 31, 2017 for 28,244 square feet of general office and training space for use by the Department of Social Services; and
- b. Authorize the Auditor/Controller to make Lease payments of \$42,168 per month in accordance with the terms of the Lease Agreement.

SUMMARY/DISCUSSION:

The Department of Social Services (DSS) has occupied 28,244 square feet of general office and training space at 713 LaGuardia Street in Salinas California since April 2001. The lease has been amended three (3) previous times, and its term extended until December 31, 2016. Amendment No 1 executed March 30, 2001, and First Amendment executed on July 5, 2006, and Second Amendment executed on January 25, 2012. The County has the option to extend this lease five (5) years through December 31, 2021. DSS is looking for flexibility this next year while planning ahead for use of this facility, thus the need for the one (1) year extension without the five (5) year obligation. Various options for this facility need to be considered and extending this lease for one (1) year should provide sufficient flexibility allowing DSS to make a decision. The Resource Management Agency will begin negotiations with this LESSOR on rent and various improvements once DSS has made a decision on the preferred alternative moving forward. The rent will increase 2% from \$41,341.33 to \$42,168.00 per month which is in line with previous annual increases.

OTHER AGENCY INVOLVEMENT:

The Resource Management Agency negotiated the Third Amendment, and assisted with the development of this report. The Office of the County Counsel has approved the Third Amendment to Lease Agreement A-08449 as to form.

FINANCING:

There is no impact to the General Fund. Sufficient funds are available in the FY 2016-17 Department of Social Services Budget Unit 8262, Fund 001. On-going funding for the leased premises is projected to be sustainable in future years based upon current and anticipated resources. The annual leasing cost will total \$506,016.00. The Lessor will be responsible for costs associated with property taxes, assessments, and fire insurance.

Prepared by: Melissa A. Mairose, Finance Manager II x4433

Approved by: Elliott Robinson, Director of Social Services x4434

Attachments:

Agreement A-08449
Amendment No 1
First Amendment
Second Amendment
Third Amendment

(Attachments are on file with the Clerk of the Board)