



Board Agenda Item 30

DATE: February 20, 2024

TO: Board of Supervisors

SUBMITTED BY: Melissa Cregan Agricultural Commissioner/Sealer
Robert W. Bash, Director of Internal Services/Chief Information Officer

SUBJECT: Second Amendment to Lease Agreement with the Regents of the University of California

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute Amendment No. 2 to Lease Agreement A-16-169, with the Regents of the University of California, for 903 square feet of office space at 17353 W. Oakland Avenue, Building 316, Five Points, CA, to extend the term for an additional 5 years, from May 1, 2024, through April 30, 2029, effective upon execution with no change to the base rent terms.

There is no additional Net County Cost associated with the recommended action, which would allow the Department of Agriculture (Department) to extend the Lease Agreement A-19-169 (Agreement) with the Regents of the University of California (Lessor) by five additional years. This item pertains to a location in District 4.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, the Department can permit the lease to expire per the existing term of the Agreement; however, this will cause the Department to relocate, which will be difficult as the availability of office space in the Five Points area is limited.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. There are sufficient appropriations and revenues included in the FY 2023-24 Adopted Budget for the Department. The lease cost will continue to be captured by Departmental charges to members of the agriculture sector who use the Department's pesticide enforcement and phytosanitary inspection services. The Agreement allows for a 5% rent increase each year.

DISCUSSION:

On April 26, 2016, your Board approved the Agreement between the Lessor and the Department for 903 square feet of office space at 17353 W. Oakland Ave, Building 316, Five Points, CA for a term not to exceed eight consecutive years, for use by the Department for its Pest Exclusion and Pesticide Use Division operations. The final extension will expire on April 30, 2024.

On September 24, 2019, the Agreement was amended to include a provision for the inclusion of internet services at the leased premises.

The Department would now like to further amend the Agreement to extend the term by five additional years with no change in rent terms, which incorporates an annual 5% increase in the base rent on May 1 of each year. The County generally drafts lease agreements with property owners; however, the Lessor is continuing its practice of drafting the leases it enters with other parties. Because this lease is necessary for the Department to efficiently conduct its operations and continue without interruption, the Department and the Internal Services Department support approval of the recommended second amendment to increase the term by five additional years.

REFERENCE MATERIAL:

BAI #28, September 24, 2019

BAI #32, April 26, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Second Amendment to Lease Agreement

CAO ANALYST:

Ahla Yang