



# Board Agenda Item 48

DATE: October 17, 2017

TO: Board of Supervisors

SUBMITTED BY: Robert W. Bash, Director of Internal Services/Chief Information Officer

SUBJECT: Lease of County Owned Property to the Fresno County Transportation Authority

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman (4/5 vote) to execute a Lease Agreement with the Fresno County Transportation Authority pursuant to Government Code section 25365 for use of office space and two parking stalls at the Plaza Building, 2220 Tulare Street, Suite 2101, Fresno, CA, for five years, effective November 1, 2017, with five automatic annual renewals (\$33,600 for first year).**

The recommended action will lease office space and two parking stalls to the Fresno County Transportation Authority for a period of five years beginning November 1, 2017 through October 31, 2022. The lease may be extended annually for an additional five years. The County will receive rent from the Transportation Authority for the office space and parking stalls. This lease to a public agency was not publicly bid as it qualifies as an exception to the statutory bidding requirements pursuant to Government Code 25365.

ALTERNATIVE ACTION(S):

The Transportation Authority would remain at their current location and continue its search for space to accommodate its staff.

FISCAL IMPACT:

The recommended action will generate rental income to the County of \$33,600 (\$2,800 per month) for the first year. The rent in subsequent years will be adjusted annually in an amount determined in accordance with the rate study approved by the County's Auditor-Controller/Treasurer-Tax Collector. The rent per month will be distributed as follows: Org 8935, Account 3404 (\$2,482-Office Space), Org 8970, Account 3401 (\$78-Parking fees), and Org 8970, Account 5040 (\$240-Security).

DISCUSSION:

The Transportation Authority, since 1988, has occupied office space in suite 411 and two parking stalls at the Plaza Building. The recommended action will permit them to occupy a larger office space in suite 2101 for an initial five years, November 1, 2017 through October 31, 2022. For the period, November 1, 2022 through October 31, 2027, the Lease Agreement will automatically renew annually unless either party provides 90 days notice to terminate the Lease Agreement. The annual rent effective November 1, 2017 will be \$2,800 per month and the rent is adjusted annually in an amount determined in accordance with the rate study approved by the County's Auditor-Controller/Treasurer-Tax Collector.

The use of the space in the Plaza building is in the public interest and the Transportation Authority's use of the office space and parking in the building will not substantially conflict or interfere with the user of the building by the

County. This office space and parking is not required for County use and as the Transportation Authority is a public entity, public bidding to lease the property is exempted under Government Code 25365. A 4/5 vote of your Board is required to approve the lease pursuant to this statute.

ATTACHEMENTS INCLUDED AND/OR ON FILE:

On File with the Clerk - Lease Agreement

CAO ANALYST:

John Hays