



Board Agenda Item 56

DATE: December 9, 2025

TO: Board of Supervisors

SUBMITTED BY: Raymond T. Hunter, Director, General Services Department
Sally Gomez, County Librarian

SUBJECT: Amendment No. 1 to Politi Library Lease Agreement

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute Amendment No. 1 to Lease Agreement No. 24-465 with Jeff Jue and Velvet Jue, as trustees of the Jeff & Velvet Jue Family Trust, dated August 10, 2011, necessary to add improvements to approximately 21,440 square feet of retail space located at 6074 N. First Street in Fresno, CA 93710, for the intended use as a County public library, effective upon execution with no change to the term of August 20, 2024 through August 19, 2034 and increasing the maximum rent by \$500,000 plus interest under Additional Rent.

There is no additional Net County Cost associated with the recommended action, which will execute Amendment No. 1 to Lease Agreement No. 24-465 (Lease Amendment) with Jeff Jue and Velvet Jue, as trustees of the Jeff & Velvet Jue Family Trust dated August 10, 2011 (Lessor), to allow tenant improvements to occur, consisting of the addition of flooring and a public meeting and storage room, necessary to finalize the conversion of the retail space to a public library. The recommended Amendment No. 1 will permit the Lessor to make the necessary improvements to the space to ensure compliance with County Public Library operations, with an increase to the rent in the amount of \$500,000, plus a rate of interest not to exceed 9%. The library may begin operations and open to the public once the Lessor has obtained and provided the City of Fresno's occupancy permit following completion of the improvements. This item pertains to a location in District 2.

ALTERNATIVE ACTION(S):

Your Board could direct the Library to continue without the facility improvements; however, it would result in a new library that would fall short of community expectations. These improvements are essential to ensure the new library meets the needs of the community.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The increased Additional Rent costs will be fully offset from Measure B library sales tax and property tax revenue. Tenant Improvements totaling \$500,000 will be amortized upon completion of the improvements, at no more than 9% interest for six years. The Additional Rent, which also includes estimated costs for property tax, insurance, maintenance, a 3% management fee, and tenant improvements, is payable in installments over the life of the lease. Sufficient appropriations and estimated revenues are included in the Library Org 75112023 FY 2025-26 Adopted Budget and will be included in subsequent Recommended Budget requests for the duration of the Agreement term.

DISCUSSION:

The Leo Politi Branch Library ("Politi Library") has been located at its current 5,016 square foot site located at 5771 N. First Street, Fresno, CA 93710, since 1974. For the past decade, the Library has considered moving the Politi Library into a larger space to better serve the public. On August 20, 2024, the Board approved the Lease Agreement to move the Politi Library into a 21,440 square foot building, located at 6074 N. First Street, Fresno, CA 93710.

The Lease Agreement includes lessor improvements, which are estimated to conclude in March 2026. The recommended Lease Amendment will add additional tenant improvements, also to conclude in March 2026. The Library had the opportunity to review the improvements for alignment with public library operational use and identified additional changes, including wall furring, flooring, electrical, HVAC and related items. The Additional Rent also includes common area maintenance costs associated with capital improvements, which shall be amortized over the initial six-year primary term of the lease, at a rate of interest not to exceed 9%. The amount will be paid in installments over the life of the lease.

The recommended Lease Amendment will increase Additional Rent by \$500,000. The Additional Rent for the total potential ten-year lease term is \$7,018,234 plus interest.

REFERENCE MATERIAL:

BAI, #36, August 20, 2024

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment No. 1 to Lease Amendment

CAO ANALYST:

Amy Ryals