

**MEMORANDUM  
DEPARTMENT OF FACILITY SERVICES  
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **MAY 22, 2007**

From:  **JAMES DURFEE / MARY DIETRICH** <sup>MD</sup>

Subject: **LEASE AMENDMENT – LINCOLN COURT BUILDING**

**ACTION REQUESTED / RECOMMENDATION:** Approve an Amendment to the Lease Agreement between the County of Placer and Grey Properties, LLC for the facility at 451-453 G Street in Lincoln, CA, and authorize the Chairman to execute this Amendment on behalf of your Board.

**BACKGROUND:** For more than 30 years, the County of Placer has leased this 1,740 square foot building to provide space for the delivery of court services. The current lease term began on July 1, 2003, and the final option term will expire on June 30, 2007. Earlier this year, the Placer County Superior Courts (Courts) expressed its desire to operate in this facility until the South Placer Justice Center opens. Construction of that facility is now anticipated to be completed by the end of 2007.

Property Management subsequently contacted the Landlord and negotiated a Lease Amendment to provide four (4) successive three (3) month term extensions. The first term extension will commence on July 1, 2007 at the monthly rental rate of \$2,001 (\$1.15/sf), which will continue without adjustment through all four term extensions. Provisions of the Amendment also include a requirement that the County shall exercise its right to the next term extension at least thirty (30) days prior to the expiration of the current term. In order to continue the Court's occupancy of this facility, your Board must authorize the Chairman to execute this Lease Amendment. A copy of this Lease Amendment is available for review at the Clerk of the Board's Office.

**ENVIRONMENTAL CLEARANCE:** The lease of this facility is Categorically Exempt from review pursuant to Section 15301 of the California Environmental Quality Act. This Section provides for activities, including leasing of existing facilities, when there is no expansion of use beyond that previously existing.

**FISCAL IMPACT:** Upon commencement of the first extension term the rent for this facility will be \$2001 per month (\$24,012 annually). This amount represents a monthly increase of \$174. The County shall continue to pay for utilities, janitorial and garbage removal. Sufficient funding for these expenses is included in the Fiscal Year 2007/2008 Proposed Budget.

JD:MD:MR:gs

AVAILABLE FOR REVIEW AT THE CLERK OF THE BOARD'S OFFICE: LEASE AMENDMENT

cc: COUNTY EXECUTIVE OFFICE

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