



MEMORANDUM
FACILITIES MANAGEMENT
REAL ESTATE SERVICES DIVISION
County of Placer

TO: Board of Supervisors

DATE: August 27, 2019

FROM: Steve Newsom, Director of Facilities Management
By: Janet Triplett, Project Manager

SUBJECT: Real Estate Services / Lease Amendment No. 1/ Lake Canyon Limited Partnership / Tahoe Probation at 7252 North Lake Blvd., Suites 201 and 202, Tahoe Vista, CA

ACTION REQUESTED

Authorize the Director of Facilities Management, or designee, to execute Amendment No. 1 to Lease No. CN028143 with Lake Canyon Limited Partnership, to add two 5-year Option Terms with monthly rent of \$2,363.00 effective March 1, 2020, increasing annually by 3% thereafter, and subject to County Counsel and Risk Management concurrence.

BACKGROUND

Since 1992, the Probation Department has leased office space in the building located at 7252 North Lake Boulevard in Tahoe Vista, CA. The current Lease Agreement began on February 3, 2011 and had a 3-year Initial Term and three successive 2-year Option Terms. This Lease is set to expire on February 29, 2020. At the Probation Department's request, Real Estate Services has negotiated an extension to this Lease to provide for continued occupancy until such time an alternative site is identified.

The Landlord has agreed to grant the County two additional 5-year options to extend the Lease (Option Terms 4 and 5) that are exercisable at the County's sole discretion. The rent will be \$2,363.00 per month with 3% fixed annual increases commencing with Option Term 4, which begins on March 1, 2020. This is a \$336.00 monthly increase over the current monthly rent of \$2,027.00. Staff evaluated this increase and determined it is appropriate in consideration of the Tahoe region's limited availability of office space and current market rates. The Landlord has also agreed to install new carpet and improve existing light fixtures. The remaining lease terms will not change.

Staff is seeking your Board's authorization for the Director of Facilities Management, or designee, to execute Lease Amendment No. 1, which has been executed by the Landlord and is on file with the Clerk of the Board.

ENVIRONMENTAL IMPACT

Approval of Lease Amendment No. 1 is categorically exempt from review pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15301 (Existing Facilities).

FISCAL IMPACT

Effective March 1, 2020, rent shall commence at \$2,363.00 per month and adjust annually by three percent (3%). Funding for rent, utilities and common area expenses are included in the Probation Department's FY 2019-20 Proposed Budget.

ATTACHMENT

Site Map

On file with the Clerk of the Board: Amendment No.1 to Lease Agreement No. CN028143
Lease Agreement No. CN028143

SITE MAP

