

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

To: **BOARD OF SUPERVISORS**

Date: **AUGUST 28, 2007**

From:  **JAMES DURFEE / ALBERT RICHIE** 

Subject: **LEASE AGREEMENT – 8645 NORTH LAKE BOULEVARD**

**ACTION REQUESTED / RECOMMENDATION:** Approve a new Lease Agreement between the County of Placer and B.B., LLC, a California Limited Liability Company for the premises located at Store "D", 8645 North Lake Boulevard, in Kings Beach, CA for occupancy by the Department of Health and Human Services (HHS) for the Women Infants Children (WIC) program, and authorize the Chairman to execute this Agreement on behalf of your Board.

**BACKGROUND:** Since 1996, HHS has occupied approximately 670 square feet of office space within this facility. The current Lease is currently in holdover after terminating on June 30, 2007. Earlier this year, HHS expressed its desire to continue its occupancy.

Property Management has successfully negotiated a new Lease Agreement that provides a two (2) year initial term with eight (8) three (3) month options resulting in a maximum total term of four (4) years should all options be exercised by the County. In consideration that the landlord plans to redevelop its properties into a mixed use development consisting of office, retail, and housing units, this new Lease grants the County a first right of refusal to lease suite(s) that become available prior to the demolition of the facility occupied by the County. This new Lease requires the landlord to perform interior painting to the entire leased premises in return for the new Lease term. For future tenant improvements that become necessary over the term of the Lease, the Lease contains a \$15,000 funding allocation for future projects. Prior to initiation of any project, an addendum to the Lease addressing the project scope, budget and schedule must be approved by County Counsel, HHS and the County Executive's Office. Effective July 1, 2007, the new monthly rent will be \$1,232.80 (\$1.84 per square foot). This represents a monthly increase of \$90.39 above the current rent to incorporate the annual Consumer Price Index (CPI) adjustment and fund additional operational expenses incurred by the Landlord. In order to continue HHS' occupancy within this facility, your Board must authorize the Chairman to execute this Lease. A copy of the Lease 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:** The rent for the leased premise will be \$1,232.80 per month (\$14,793.60 annually) with annual increases based on the CPI. The Landlord shall continue to furnish utilities and maintenance to the premises and common areas. The County shall continue to pay for telephone, electricity and custodial services. Sufficient funding for these expenses is included in the Fiscal Year 2007/2008 Proposed Budget.

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

cc: COUNTY EXECUTIVE OFFICE  
HEALTH AND HUMAN SERVICES

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