



COUNTY OF HUMBOLDT

Legislation Text

File #: 20-1326, Version: 1

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

SUBJECT:

Exercise the Option to Extend the Term of the Lease for 555 H Street, Suites C and D in Eureka.

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve exercising the option to extend the term of the lease for 555 H Street, Suites C and D in Eureka with PWM, Inc. and Fred Lundblade for the period beginning Mar. 1, 2021 through Feb. 28, 2022; and
2. Authorize Humboldt County Public Works Real Property to send a notice to PWM, Inc. and Fred Lundblade that the county is exercising the option to extend the term of the lease for one (1) additional year.

SOURCE OF FUNDING:

Humboldt County Probation Department (1100 235)

DISCUSSION:

On Oct. 23, 2007, the county entered into a lease agreement with PWM, Inc. and Fred Lundblade (Lessor) for 2,600 square feet of office space at 555 H Street, Suites C and D, in Eureka. The lease term began on Mar. 1, 2008, and ended on Feb. 28, 2013 (Exhibit A - Lease dated Oct. 23, 2007).

On Dec. 11, 2012, the Board approved the first option to extend the lease for a two (2) year term from Mar. 1, 2013, through Feb. 28, 2015 (Exhibit B - First Option).

On Dec. 9, 2014, the Board approved the second option to extend the lease for a two (2) year term from Mar. 1, 2015, through Feb. 28, 2017 (Exhibit C - Second Option).

On Feb. 14, 2017, the Board approved an amendment to the lease to extend the lease for a three (3) year term from Mar. 1, 2017, through Feb. 29, 2020 (Exhibit D - Amendment).

On Jan. 14, 2020, the Board approved the amendment's first option to extend the lease for a one (1) year term from Mar. 1, 2020, through Feb. 28, 2021 (Exhibit E - Amendment's First Option).

Under the terms of the amendment, the county has the second option to extend the lease term for one (1) year from Mar. 1, 2021 through Feb. 28, 2022, provided written notice is given to the Lessor sixty (60) days prior to the end of the term.

The Humboldt County Probation Department is requesting that the Board of Supervisors approve exercising the second option to extend the lease terms with PWM, Inc. and Fred Lundblade for one (1) year from Mar. 1, 2021, through Feb. 28, 2022, and authorize Public Works Real Property to send a letter to the Lessors extending the lease term through Feb. 28, 2022.

FINANCIAL IMPACT:

Beginning Apr. 1, 2021, the monthly lease costs for the two thousand six hundred (2,600) square feet of office space will be Five Thousand Seven Hundred Eighty-Six Dollars and One Cents (\$5,786.01) or Two Dollars and Twenty-Three Cents (\$2.23) per square foot. Lease costs for this office space were budgeted for fiscal year 2020-21 in Probation budget unit 235.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by providing for and maintaining infrastructure .

OTHER AGENCY INVOLVEMENT:

Public Works

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board, at its discretion can elect not to approve exercising the option to extend the lease at 555 H Street, Suites C & D, Eureka; however, this alternative is not recommended because the Probation Department will need to find suitable new office space that is currently not available.

ATTACHMENTS:

Exhibit A - Lease dated October 23, 2007

Exhibit B - First Option

Exhibit C - Second Option

Exhibit D - Amendment

Exhibit E - Amendment's First Option

PREVIOUS ACTION/REFERRAL:

Board Order No.: C8, C6, C12, C9, C10

Meeting of: 10/23/07, 12/11/12, 12/09/14, 2/14/17, 1/14/2020

File No.: 19-1800