

## Agenda Report

DATE: APRIL 24, 2006

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: LEASE EXTENSION FOR NORTHWEST PROGRAMS DIVISION

OFFICE AT 236 W. MOUNTAIN STREET

## **RECOMMENDATION:**

It is recommended that the City Council approve the terms and conditions, as summarized below and authorize the City Manager to execute, a lease amendment between the City of Pasadena (Lessee), and the Flintridge Foundation (Lessor) and any other documents necessary to carry out this transaction.

## **BACKGROUND:**

The Northwest Programs Division of the Department of Planning and Development currently occupies 1,977 rentable square feet of office space at 236 W. Mountain Street. They have been at this location since August 1, 1998 and have provided service to northwest community residents as well as staff the Northwest Commission, the Fair Oaks PAC and the Lincoln PAC. The proposed three-year lease extension with a three-year option will be effective April 1, 2006. This full service gross lease provides that the Landlord shall furnish at Landlord's expense, utilities, maintenance and janitorial service. The Landlord will make repairs including patching, touch-up painting, carpet cleaning and stretching throughout the premises. The proposed lease rate of \$3,120 per month reflects a pro rata rental rate of \$1.58 per square foot. This rate shall be subject to an annual 4% increase, which is approximately equal to the current annual increase in the Consumer Price Index. Results of a rental survey reveal the proposed rental rate is at or below market level.

MEETING OF 4/24/2006

AGENDA ITEM NO. 3.A.8.

## **FISCAL IMPACT**

Sufficient funds have been budgeted and are available in the General Fund Account No. 101-443100 to cover lease costs for the fiscal year 2006.

Respectfully Submitted,

CYNTHIA'J. KURTZ

City Manager

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Real Property Manager

Approved by:

RICHAR**D** BRUCKNER

Director of Planning and Development