

Agenda Report

DATE: FEBRUARY 2, 2004

TO: CITY COUNCIL

FROM: CYNTHIA J. KURTZ, CITY MANAGER

SUBJECT: LEASE EXTENSION FOR CITY PROSECUTOR AND NEW
LEASE FOR CITY ATTORNEY AT WALNUT PLAZA LOCATED
AT 215 N. MARENGO AVENUE

RECOMMENDATION:

It is recommended that the City Council approve the terms and conditions, as generally described below and authorize the City Manager to execute a 2nd amendment lease extension for the City Prosecutor's office and a new lease for the City Attorney's office and any other documents necessary to carry out these transactions.

BACKGROUND:

It is necessary for the City of Pasadena to lease office space for employee relocation during the 3-year period projected to complete the City Hall seismic retrofit.

The City Prosecutor's office has been housed at Walnut Plaza since July 1995. Their current lease extension expires June 30, 2004 and the proposed new term will be for three years ending on June 30, 2007. The proposed new lease for the City Attorney's office will enable them to relocate to Walnut Plaza and have both groups at one location during the retrofit. The proposed new City Attorney lease will commence June 1, 2004 and end June 30, 2007 along with the City Prosecutor's lease. The City will have three one-year options to renew on the same terms and conditions.

The new terms and conditions for the 2nd amendment to the City Prosecutor's lease are: 1) The new base rent is \$2.15 per rentable square foot per month for the first year with increases in the second and third years based on the increase in the consumer price index, with a minimum annual increase of 2%; 2) This rate is applied to the rentable office area of 4,306 square feet but also includes free

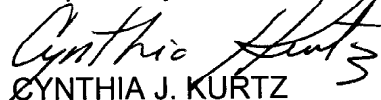
use of conference rooms, law libraries, a major copy room and a kitchen and lunch room on the third floor; 3) Reserved covered parking in the building is available for up to 9 spaces at \$85 per month, which is the prevailing rate. The new rates for rent and parking when compared to existing rates, yield a savings of about \$9,345 for the first lease year; 4) the agreement also requires that the Landlord re-paint and to install new carpet throughout at his expense.

The terms and conditions for the City Attorney's new lease are: 1) The base rent is \$2.15 per rentable square foot per month for the first year with increases in the second and third years based on the increase in the consumer price index, with a minimum annual increase of 2%; 2) This rate is applied to the rentable office area of 4,933 square feet but also includes free use of conference rooms, law libraries, a major copy room and a kitchen and lunch room on the third floor; 3) Reserved covered parking in the building is available for up to 9 spaces at \$85 per month, which is the prevailing rate; 4) the agreement also requires the Landlord at his cost, build to suit tenant improvements to accommodate the City Attorney's occupancy. The cost of the tenant improvements is estimated at \$30 per usable square foot, reflecting about \$122,000.

FISCAL IMPACT

Funds are available in the City Attorney and City Prosecutor's budget.

Respectfully Submitted,


CYNTHIA J. KURTZ

City Manager

Prepared by:



MANUEL NEGRETE JR.

Real Property Manager

Approved by:



RICHARD BRUCKNER

Director of Planning and Development

Concurred By:



MICHELE B. BAGNERIS

City Attorney