

# Agenda Report

**DATE:** OCTOBER 6, 2008

**TO:** CITY COUNCIL

**FROM:** CITY MANAGER

**SUBJECT:** LEASE ADDENDUM FOR EXPANSION OF OFFICE SPACE FOR THE DEPARTMENT OF TRANSPORTATION AT PARK CENTER, LOCATED AT 221 EAST WALNUT STREET, PASADENA

## **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 Lease Addendum to Contract No. 16,436 and any other documents necessary to carry out this transaction.

## **BACKGROUND:**

Park Center Limited Partnership and the City of Pasadena entered into an office lease on July 17, 1997, and two subsequent addendums for the Department of Transportation's occupancy of Suites 199 and 210 located at 221 E. Walnut Street. The lease area totals 10,308 square feet of rental space with a rental expense of \$20,361.15 per month.

In order to accommodate the gradual growth of the number of employees in the Department of Transportation, the proposed Lease Addendum will:

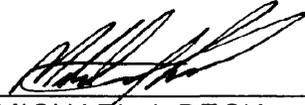
1. Expand the premises by 1,200 rentable square feet into Suite 260 effective November 1, 2008.
2. Extend the lease term by two years through October 31, 2010.
3. Grant the City ten one-year options to extend the lease with the right to vacate Suite 260 with 90 days notice.

4. Increase the rent by \$2,880 (additional 1,200 square feet at \$2.40 per square foot) per month to \$23,241.15 per month, continuing with annual adjustments based on the Consumer Price Index. The balance of the space will remain at the current rate of \$1.98 per square foot.
5. Thirteen parking spaces shall be provided at no cost with the availability of 36 additional spaces at \$60 per month.
6. Suite 260 shall be built out at no cost to the City.
7. All carpeting will be cleaned annually.

**FISCAL IMPACT:**

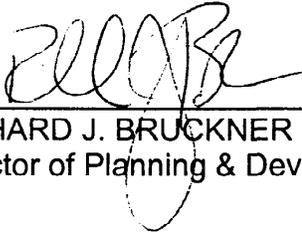
The current rental payment for the premises is \$20,361.15 per month. The monthly lease payment for the additional 1,200 square feet will increase by \$2,880 per month to \$23,241.15 per month for the first twelve months. Funds for the original contract are included in the Department of Transportation FY 2009 Operating Budget. The cost for the additional office space will be covered by Fund 102-775500 (Off-Street Parking Fund-Pride Share). A mid-year budget clean up report will appropriate these funds to cover the additional office space payments.

Respectfully submitted,



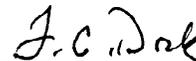
MICHAEL J. BECK  
City Manager

Concur:



RICHARD J. BRUCKNER  
Director of Planning & Development

Concur:



FREDERICK C. DOCK  
Director of Transportation

Prepared by:



KELLY KITASATO  
Real Property Manager

*Lease of premises for  
Transportation Dept.  
221 E. Walnut Street  
Pasadena*

**Disclosure Pursuant to the  
City of Pasadena Taxpayer Protection Act  
Pasadena City Charter, Article XVII**

- I. Does the value of this application/project *have the potential* to exceed \$25,000?  Yes No (Applicant *must* mark one)
- II. Is the application being made on behalf of a government entity? Yes  No
- III. Is the application being made on behalf of a non-profit 501(c) organization? Yes  No   
 If yes, please indicate the type of 501(c) organization: 501(c)(3) 501(c)(4) 501(c)(6)

Applicant's name: Park Center Limited Partnership Date of Application: October 31, 2007

Owner's name: (Rep) Larry C. Suc Contact phone number: 626/577-6883  
 (for questions regarding this form)

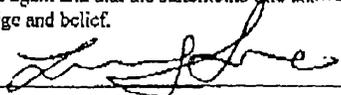
Project Address: 221 East Walnut Street, Suites 199 & 210

Project Description: office space rental to City of Pasadena

IV. Applicant and Property Owner must disclose all joint owners, trustees, directors, partners, officers and those with more than a 10% equity, participation or revenue interest in owner and/or project. If any of these are an organization/entity, include the name of the organization/entity and the first and last names of all parties of interest of that organization/entity. (List all parties below and use additional sheets as necessary, or provide all parties on an attachment) Please print legibly.  
 Have any additional sheets or an attachment been provided? Yes No

Names of Owner(s), Trustees, Directors, Partners, Officers of Owner/Project	Names of Owner(s), Trustees, Directors, Partners, Officers of Owner/Project (continued)	Those with more than a 10% equity, participation or revenue interest in Owner and/or project
<u>California Forefront Inc.</u>		
<u>Lily Y. Wang</u>		
<u>Wyman Ip.</u>		

I hereby certify that I am the owner or designated agent and that the statements and answers contained herein, and the information attached, are in all respects true, accurate and complete to the best of my knowledge and belief.

Signature of Owner or Designated Agent:  Date: 10/31/07

*For Office Use Only*

Type of Application: Variance (all types) Adjustment Permit Sign Exception Temporary Use Permit Expressive Use Permit  
 Conditional Use Permit (excluding Master Plan) Master Plan Amendment Planned Development Other

Assigned Planner: \_\_\_\_\_ PLN#: \_\_\_\_\_

Attached Address: \_\_\_\_\_ No Attached Address

Appealed: Yes No Appeal PLN# \_\_\_\_\_ Application Withdrawn

Final Decision: Approved Denied Decision Date: \_\_\_\_\_ Decision Maker: \_\_\_\_\_  
 (Name and Title, or Name of Commission/Committee)

Votes in favor (please print):  
 \_\_\_\_\_  
 \_\_\_\_\_  
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