



Lou Ann Texeira
Executive Officer

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May 13, 2009
 Agenda Item 11

May 13, 2009 (Agenda)

Contra Costa Local Agency Formation Commission
 651 Pine Street, Sixth Floor
 Martinez, CA 94553

Lease Agreement for LAFCO Office Space

Dear Members of the Commission:

RECOMMENDATIONS

1. Approve a lease agreement with Contra Costa County for a one year term beginning April 1, 2009 and ending March 31, 2010 for 580 square feet of office space at 651 Pine Street, Sixth Floor, Martinez, for approximately \$700 per month under the terms and conditions set forth in the lease (attached);
2. Authorize the LAFCO Executive Officer and LAFCO Legal Counsel to execute the lease;
3. Determine that the project is a Class 1(a) Section 15301 Categorical Exemption under the California Environmental Quality Act (CEQA); and
4. Direct the LAFCO Executive Officer to file a Notice of Exemption with the County Clerk with the appropriate fees.

DISCUSSION

As previously reported to the Commission in March 2009, LAFCO staff has been working with the County General Services Department on a lease agreement for the LAFCO office space at 651 Pine Street, Sixth Floor in Martinez. The LAFCO office currently occupies approximately 580 square feet of office space plus common area.

On March 31, 2009, the Contra Costa County Board of Supervisors approved a lease agreement with Contra Costa LAFCO for a one year term (April 1, 2009 through March 31, 2010) for the existing office space at 651 Pine Street. Pursuant to the terms of the lease, the agreement will automatically renew annually, unless terminated by either party.

On May 5, 2009 LAFCO received a signed copy of the lease agreement, which formalizes a longstanding agreement between the County and LAFCO for all occupancy costs for the space LAFCO occupies in the County Building.

FISCAL IMPACT

The rent for FY 2009-10 is approximately \$700 per month. Adequate funds are included in the FY 2009-10 LAFCO budget.

Please contact the LAFCO office if you have any questions.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment

c: County Auditor
County General Services Department
County Risk Management Department

LEASE

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651 PINE ST, 6TH FLOOR
MARTINEZ, CALIFORNIA

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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EXHIBIT A: PREMISES

LEASE
FOR
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
651 PINE ST, 6TH FLOOR
MARTINEZ, CALIFORNIA

SECTION A: BASIC TERMS AND CONDITIONS

A.1. PARTIES: Effective _____, the CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION, a public agency of the State of California, as Lessee hereinafter called ("**LAFCO**") and the COUNTY OF CONTRA COSTA, a political subdivision of the State of California, as Lessor hereinafter called ("**County**") mutually agree and promise as follows:

A.2. LEASE OF PREMISES: County, for and in consideration of the Rents, hereby leases to LAFCO, and LAFCO leases from County, those certain premises described as 651 Pine Street, 6th floor, Martinez, containing approximately 580 square feet of office space and 339 square feet of common area (together, the "**Premises**").

A.3. TERM: The term of this lease shall be one year, commencing April 1, 2009, and ending March 31, 2010. The Term shall automatically renew annually, the lease may be terminated by either party giving a thirty (30) day written termination notice to the other party. The date that is thirty days after the date the written termination notice is delivered is the "**Termination Date**."

A.4. RENT: LAFCO shall pay to County as rent ("**Rent**") for the use of the Premises a monthly rental equal to 0.8% (eight tenths of one percent) of the Building Occupancy Charges for 651 Pine Street, Martinez. For purposes of this lease, "**Building Occupancy**

Charges” means the cost of operating and maintaining the building, including but not limited to utilities, janitorial services, pest control, elevators, HVAC, etc. The County shall bill, and LAFCO shall pay, the Building Occupancy Charges monthly during the Term of this lease.

A.5 USE OF PREMISES: The Premises shall be used for purposes of conducting various administrative office functions of LAFCO.

A.6. UTILITIES: County shall pay for the direct cost of gas, electric, water, sewer, and refuse collection services provided to the building, and will include LAFCO’s pro rata share of such cost in the Rent.

A.7. MAINTENANCE AND REPAIRS:

- A. County shall keep the roof and exterior of the building in good order, condition, and repair and shall maintain the structural integrity of the building, including the exterior doors and their fixtures, closers and hinges, glass and glazing, and all locks and key systems used in the Premises.
- B. County shall keep and maintain the interior of the Premises in good order, condition, and repair, and County shall repair damage to the interior caused by failure to maintain the exterior in good repair, including damage to the interior caused by roof leaks and/or interior and exterior wall leaks.
- C. County shall repair and maintain the electrical, lighting, water and plumbing systems in good order, condition, and repair.
- D. County shall maintain and repair the heating, ventilating, and air-conditioning systems.
- E. County shall maintain the parking lot, landscaping, sprinkler system, and exterior lighting system in good order, condition, and repair.
- F. County shall provide and install, at the direction of the Fire Marshal, the necessary number of A-B-C fire extinguishers for the Premises at no cost to

County. County shall thereafter maintain, repair, and replace the extinguishers.

G LAFCO shall not suffer any waste on or to the Premises.

H. County shall correct any code violations that may exist in the Premises, provided County will not be liable for correction of code violations that arise out of and are directly related to a change in LAFCO's occupancy or use of the Premises.

A.8. NOTICES: All notices given hereunder shall be in writing and shall be deemed to have been given if personally delivered or deposited in the United States mail postage prepaid, certified or registered, return receipt requested, and addressed to the other party as follows or as otherwise designated by written notice hereunder from time to time:

To LAFCO: LAFCO
c/o Lou Ann Texeira
651 Pine Street, 6th Floor
Martinez, CA 94553-4711

To COUNTY: Contra Costa County
General Services Department
Real Estate Services Division
1220 Morello Avenue, Suite 100
Martinez, CA 94553-4711
Attn : Real Estate Manager

A.9. EXHIBITS AND ATTACHMENTS: Section B - Standard Provisions, Section C - Special Provisions, and Exhibit A: Premises are attached to this lease and are made a part hereof.

A.10. WRITTEN AGREEMENT: Neither party has relied on any promise or representation not contained in this lease. All previous conversations, negotiations, and understandings are of no further force or effect. This lease may be modified only by a writing signed by both parties. The headings of the paragraphs and pages are for convenience only and are not a part of this lease, nor shall they be considered in construing the intent of this lease. This lease will not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Both parties

agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party will not apply to the interpretation of this lease.

A.11. TIME IS OF THE ESSENCE of each and all of the terms and provisions of this lease.

A.12. SIGNATURE BLOCK

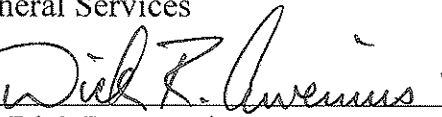
COUNTY

COUNTY OF CONTRA COSTA, a Political subdivision of the State of California

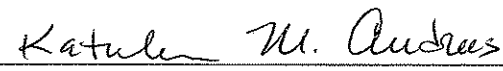
By 
Michael J. Lango
Director of General Services

Date 4/29/09

RECOMMENDED FOR APPROVAL:
MICHAEL J. LANGO, Director of General Services

By 
Dick R. Awenius
Real Estate Manager

APPROVED AS TO FORM:
SILVANO B. MARCHESI, County Counsel

By 
Kathleen M. Andrus
Deputy County Counsel

LAFCO

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION (LAFCO), a public agency of the State of California

By _____
Lou Ann Texeira
Executive Officer

APPROVED AS TO FORM:

By _____
Silvano B. Marchesi
LAFCO Legal Counsel

**LEASE
FOR**

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

**651 PINE ST, 6TH FLOOR
MARTINEZ, CALIFORNIA**

SECTION B: STANDARD PROVISIONS

B.1. HOLDING OVER: Any holding over after the Termination Date does not constitute a renewal or extension of this lease. Any holding over shall be construed to be a tenancy from month to month, subject to the terms of this lease so far as applicable, except that Rent shall be adjusted to the fair market rental value of the Premises.

B.2. HOLD HARMLESS: LAFCO agrees to defend, indemnify, and hold the County, its officers, agents or employees, harmless from any and all claims, costs and liability, for any damage, injury or death of or to any person or the property of any person including attorneys' fees, caused by the willful misconduct or negligent acts, errors or omissions of LAFCO, its officers, agents or employees in using the Premises pursuant to this lease, save and except claims or litigation arising out of negligent or intentional acts, errors or omissions of the County, its officers, agents or employees.

County agrees to defend, indemnify and hold harmless LAFCO, its officers, agents or employees, from the County's share of any and all claims, costs, and liability for any damages, injury, or death of any person or the property of any person including attorneys' fees, caused by the willful misconduct or negligent acts, errors or omissions of County, its officers, agents or employees, in using the Premises pursuant to this lease, save and except claims or litigation arising out of the negligent or intentional acts, errors or omissions of the LAFCO, its officers, agents or employees.

B.3. ALTERATIONS, FIXTURES, AND SIGNS: LAFCO may make any lawful and proper minor alterations, attach fixtures and signs in or upon the Premises, which shall remain ("**LAFCO's Property**") and may be removed therefrom by LAFCO prior to

the termination of this lease. LAFCO shall remove such LAFCO's Property upon the termination of this Lease. Any such alterations, signs or fixtures shall be at LAFCO'S sole cost and expense, and all signs shall meet with existing code requirements and County's approval.

B.4. DESTRUCTION: If damage causing a partial destruction of the Premises occurs during the Term of this lease from any cause, County may, in its sole discretion, repair the damage promptly and within a reasonable time, but such partial destruction shall not void this lease

B.5. QUIET ENJOYMENT: County covenants that LAFCO shall at all times during the Term peaceably and quietly have, hold, and enjoy the Premises without suit, trouble or hindrance from or on account of County as long as LAFCO fully performs hereunder.

B.6. DEFAULTS: LAFCO's failure to comply with any material term or provision of this lease constitutes a default of LAFCO. County may re-enter and repossess the Premises and remove all persons and property therefrom after giving LAFCO written notice of such default and in accordance with due process of law. County's failure to perform any of its obligations under this lease constitutes a default by County, if the failure continues for thirty (30) days after written notice of failure from LAFCO to County specifying in reasonably sufficient detail the nature of said breach. Provided County has not made a substantial effort to correct said breach, LAFCO may terminate this lease and quit the Premises without further cost or obligation.

B.7. SURRENDER OF PREMISES: On the Termination Date, LAFCO will peaceably and quietly leave and surrender to County the Premises with their appurtenances and fixtures (except signs and fixtures referred to hereinabove) in good order, condition, and repair, excepting for reasonable use and wear thereof and damage by earthquake, fire, public calamity, by the elements, by Act of God, or by circumstances over which LAFCO has no control. LAFCO is not liable for painting the interior of the Premises upon termination of this lease.

B.8. SUCCESSORS AND ASSIGNS: The terms and provisions of this lease are binding upon and inure to the benefit of the heirs, successors, and assigns of the respective parties hereto.

B.9. SEVERABILITY: In the event that any provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such provision does not materially prejudice either the County or LAFCO in its respective rights and obligations contained in the valid provisions of this lease.

B.10. WASTE, NUISANCE: LAFCO shall not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing that may disturb the quiet enjoyment of any other tenant or occupant of the building in which the Premises is located.

LAFCO shall conform its use and occupancy of the Premises to the standards and modes of use applicable to a first-class office building.

B.11. INSPECTION: The County reserves the right to enter the Premises by prior appointment only between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted, and to employ the proper representative or contractor in order to see that the property is being reasonably cared for, that no waste is being made, and that all things are done in the manner best calculated for the preservation of the property, and in full compliance with the terms and conditions of this lease.

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LEASE
FOR
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
651 PINE ST, 6TH FLOOR
MARTINEZ, CALIFORNIA

SECTION C: SPECIAL PROVISIONS

C.1. ASSIGNMENT OR SUBLEASE: LAFCO may not assign this lease or sublease the Premises or any part thereof at any time during the Term of this lease.

C.2. INSURANCE: Throughout the Term of this lease, LAFCO, at its sole cost and expense, shall maintain in full force and effect, workers compensation insurance for LAFCO's employees, and comprehensive liability insurance with minimum combined single-limit coverage of \$5,000,000 per occurrence for all claims or losses due to bodily injury (including death), personal injury, and property damage, including loss of use. LAFCO shall provide County a letter of insurance indicating the aforementioned provisions are in effect and naming Contra Costa County, its officers, agents and employees as additional insureds thereunder. Said coverage shall provide for a thirty (30) day written notice to County of cancellation or lapse. Evidence of such coverage shall be furnished to County prior to execution of this lease.

The County's self insurance coverage does not extend to the Premises, nor to the negligence, willful misconduct or other intentional act, error or omissions of LAFCO, its officers, agents, or employees. County will not keep LAFCO's personal property insured against fire, or any other insurable risk, and LAFCO waives the right to claim damages from the County for any damage resulting to said property in the event it is damaged or destroyed by fire or any other cause.

County shall provide insurance for the Building, any improvements and betterments, its own contents and its personal property contained within or on the

Premises under a standard all-risk policy. LAFCO shall have no interest in the insurance proceeds upon County's improvements, equipment and fixtures, and will sign all documents necessary or proper in connection with the settlement of any claim or loss by County.

C.3. POSSESSORY INTEREST TAX: The County Assessor of Contra Costa County has invoked a possessory interest tax on all rental of County and other publicly-owned properties. LAFCO is responsible for payment of any possessory interest tax applicable to the Premises.

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