

MARIN GENERAL SERVICES AUTHORITY
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MEMORANDUM

DATE: March 5, 2009
TO: MGSA Board of Directors
FROM: Paul Berlant, Executive Officer
SUBJECT: AGENDA ITEM **F**: APPROVAL OF LEASE OF OFFICE SPACE,
555 NORTHGATE DRIVE, SAN RAFAEL

Recommendation: Authorize the Executive Officer to execute a lease agreement for office space.

Background:

The MGSA office staff, files and records and meeting space is currently at the County's IT office in Novato. Last fall, the County told us that we needed to vacate the space we use as soon as possible. The individual doing the work for MGSA, Elizabeth Lopez, works part-time for MGSA, with the remainder of her work time devoted to MERA and MTA, two JPA's whose files and records are located in the same space. Since we only have one full-time employee and the Executive Officers need the space only for occasional on-site work and meetings, our space needs are relatively small. On November 13, 2008, the MGSA Board authorized the Executive Officer to execute a lease for shared space at 555 Northgate Drive, San Rafael.

Discussion: Since the Board's action on this matter in November, MERA has decided to end its joint tenancy and use of shared staff by the end of June 2009. As such, MTA and MGSA have been seeking another public agency with which to share space, and possibly staff hours. Marin County LAFCo must vacate its current leased space by the end of June and its Executive Officer has recommended to the LAFCo Board that they share space with us, taking the place of MERA at 555 Northgate Drive. The LAFCo Board is scheduled to act on this recommendation on March 12, 2009.

Since we need to move prior to June 30, 2009, a revised lease has been prepared by MCF Property Holdings, Inc., the landlord at 555 Northgate Drive, calling for the "Tenant" to be defined as the three JPA's, with each JPA identified as a "Tenant Party." The lease identifies MERA as a tenant party but acknowledges that it will terminate its tenancy as of June 30, 2009. It also acknowledges that MTA and MGSA will seek to replace MERA with another similar entity. LAFCo would serve as that replacement and take over MERA's responsibilities.

The lease terms are the same as presented in November. Rent for the space is \$1,982 per month, with MGSA responsible for 20%. Rent does not include communications costs, which are also shared with the other JPA's. The lease is for one year, with a commencement date of March 1, 2009, and March rent will be pro-rated from the day of occupancy. The FY 2008-09 budget covers these costs.

Under the joint and several liability clause in the lease, MTA and MGSA will be individually responsible for the obligations of the "tenant," including rent. Thus, the risk of moving ahead with the knowledge of MERA leaving is that LAFCo would not execute the lease. MTA and MGSA staffs have been assured that LAFCo plans to move forward with the two JPA's as a joint tenant at 555 Northgate Drive. Given that LAFCo's current lease ends June 30, 2009, that they are in need of smaller space than they currently occupy, that sharing the space at 555 Northgate Drive serves their needs exceedingly well, that the LAFCo Board is scheduled to approve the plan on March 12th, and that LAFCo, MTA and MGSA serve the same constituencies, namely the County of Marin and the 11 towns and cities, the Executive Officers of MTA and MGSA see little risk in executing the lease prior to the LAFCO Board's official approval.