



May 7, 2009

President

Joe Sparks

Vice-President

Marshall Ochylski

Director

Chuck Cesena
Maria Kelly
Steve Senet

General Manager

Utilities Manager

George J. Milanés

Fire Chief

Matt Jenkins

TO: Board of Directors

FROM: Mitch Cooney, Interim General Manager *MW*

SUBJECT: Agenda Item 4F – 5/7/09 Board Meeting
Addendum X to Commercial Lease Agreement

SUMMARY

As part of a reorganization plan, District staff has negotiated with the property owner of 2122 9th Street, Los Osos (the District's Administration Office site) to consolidate the space currently under lease. Currently the District leases Suites 102, 104, 200 and 202 at 2122 9th Street. District staff recommends consolidating all Administration personnel on the first floor (Suites 102 and 104) and retaining Suite 202 as the District's library.

The negotiated monthly lease payments for the modified space will be \$2,000 per month or \$.9090 per square foot. The lease payment is calculated at gross and not, as was found with most offerings in Los Osos, at triple net. Staff's evaluation of like rents within the community of Los Osos indicates that the negotiated monthly rent is very reasonable.

This Addendum to the Lease Agreement is projected to be effective on May 1, 2009 and will save the District approximately \$500 per month over what the District is currently paying in Lease Payments.

RECOMMENDATION

The recommended action before your Board is to approve Addendum X to the Commercial Lease Agreement and authorize the President of the Board to execute the Agreement on behalf of the District.

This item will be approved along with the consent calendar unless it is removed by a director for separate consideration.

Offices At:

2122 9th Street
Los Osos, California 93402

Mailing Address:

P.O. Box 6064
Los Osos, California 93412

Phone 805/528-9370

Fax 805/528-9377

www.losososcsd.org

ADDENDUM X TO COMMERCIAL LEASE AGREEMENT


This Addendum to Lease constitutes part of the Commercial Lease Agreement dated April 28, 1999 with Addendums, between George Contento as Lessor/Landlord, and the Los Osos Community Services District, as Lessee/Tenant, with respect to the following Recitals.

RECITALS

The parties desire to enter into this Addendum for the purposes of amending the Lease Agreement to reflect the terms and conditions as set forth herein. Now, therefore, the parties agree as follows:

1. The description of the "Property" referenced in Paragraph 1 of the Lease Agreement includes: Suites 102, 104, and 202 at 2122 9th Street, Los Osos, California. No longer part of the lease is Suite 200.
2. Tenant agrees to pay "Rent" monthly, at the rate of two thousand dollars (\$2,000.00) on the first day of each calendar month commencing on May 1, 2009 ("Rent Commencement Date") and expires on April 30, 2011. A cost of living adjustment will take effect on May 1, 2010, based on CPI calculations.
3. Tenant can enter Suite 100 during non-business hours to handle electrical problems or to adjust the furnace thermostat.
4. The parties further agree that unless modified by this Addendum, each term and condition of the Lease Agreement will remain in effect.
5. The recital is incorporated herein by reference.

The parties have executed this Addendum as of April , 2009.


4-27-09

George C. Contento, Lessor

Joe Sparks, President
Los Osos Community Services District

Attest: Mitch Cooney, Interim General Manager