

**REPORT TO REDEVELOPMENT AGENCY CHAIR
AND AGENCY BOARD**

**TO THE HONORABLE REDEVELOPMENT AGENCY CHAIR
AND AGENCY BOARD:**

DATE: June 1, 2009

**SUBJECT: AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A
SUPPLEMENTAL LEASE AGREEMENT BETWEEN THE CONCORD
REDEVELOPMENT AGENCY AND THE CONCORD VETERANS CENTER FOR
PREMISES LOCATED AT 1899 CLAYTON ROAD, SUITE 140, CONCORD,
CALIFORNIA**

Report in Brief

The Redevelopment Agency Board is requested to authorize the Executive Director to enter into a Supplemental Lease Agreement (Attachment 1) between the Concord Redevelopment Agency and the Concord Veterans Center (CVC) for the use of premises located at 1899 Clayton Road, Suite 140, Concord, California.

Currently the CVC is located at 1899 Clayton Road, Suite 140, which is owned by the Agency. Due to a number of issues, including the CVC's desire to seek a better office location in Concord to serve their clients, the existing office location is no longer viable. At the request of the CVC, a Supplemental Lease Agreement was prepared providing for an extension of the lease terms through September 30, 2009 allowing the CVC to go through the various Federal processes to find a new location and execute the appropriate documents. The agreement also provides the Agency compensation in the amount of \$38,142 over the term of the Agreement as further described in Attachment 1.

Background

On December 1, 2008, the Agency authorized the purchase of approximately 2.3 acres of real property bordered by Galindo Street, Concord Boulevard and Clayton Road from DeNova Homes. The Agency's intent for purchasing this property was to hold the property and prepare the site for future development by demolishing existing structures and cleaning up the site. As part of this transaction, an office building was acquired that included an existing lease with the CVC. This lease agreement expired as of March 31, 2009. CVC staff and Agency staff have been working together to develop a supplemental lease agreement to meet the CVC's and the Agency's needs.

**AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A LEASE
EXTENSION BETWEEN THE CONCORD REDEVELOPMENT AGENCY AND
THE CONCORD VETERANS ASSOCIATION**

June 1, 2009

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Discussion

Staff is recommending entering into the Supplemental Lease Agreement (Attachment 1) between the Agency and CVC to facilitate CVC's needs and fulfill the Agency's objectives for this property. The Agreement sets forth the new terms between the Agency and the CVC. The following are some of the key terms and conditions of the Agreement:

Term:	Month to month and expires no later than September 30, 2009
Base rent:	\$6,357
Utilities:	To be paid by CVC
Janitorial Service:	To be paid by CVC
Maintenance:	Interior and exterior maintenance to be paid by CVC

Fiscal Impact

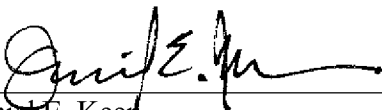
The Agency is anticipated to collect a total of \$38,142 from this Agreement.

Public Contact

The Agenda has been posted and the Concord Veterans Center representatives have been notified.

Recommendation for Action

Staff recommends the Agency Board authorize the Executive Director to execute the Supplemental Lease Agreement between the Concord Redevelopment Agency and the Concord Veterans Center.



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Attachment 1: Supplemental Lease Agreement

<p>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDING SERVICE</p> <p>SUPPLEMENTAL LEASE AGREEMENT</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">SUPPLEMENTAL AGREEMENT</td> <td style="width: 40%;">DATE</td> </tr> <tr> <td>Number 4</td> <td>3/27/2009</td> </tr> <tr> <td colspan="2">TO LEASE NO.</td> </tr> <tr> <td colspan="2">261(RE)-0004</td> </tr> </table>	SUPPLEMENTAL AGREEMENT	DATE	Number 4	3/27/2009	TO LEASE NO.		261(RE)-0004	
SUPPLEMENTAL AGREEMENT	DATE								
Number 4	3/27/2009								
TO LEASE NO.									
261(RE)-0004									
<p>ADDRESS OF PREMISES</p> <p style="margin-left: 40px;">Concord Vet Center 1899 Clayton Rd Ste 140 Concord, CA 94520</p>									
<p>THIS AGREEMENT, made and entered into this date by and between</p> <p style="margin-left: 40px;">City of Concord Redevelopment Agency</p> <p>whose address is 1950 Parkside Drive, Concord, CA 94519-2578 VOX: 925/671-3082 FAX: 925/798-0636</p> <p>Hereinafter called the Lessor and the UNITED STATES OF AMERICA, hereinafter called the Government (i.e. U.S. Department of Veterans Affairs as Lessee):</p> <p>WHEREAS, the parties hereto desire to amend the above referenced Lease dated March 31, 1999 as supplemented (most recently on January 26, 2004) between Lessor's predecessors-in-interest and the Government, and transferred as set forth in the Novation Agreement dated December 22, 2008 among Lessor, the Government, and Meadow Creek Group LLC ("Lease")</p> <p>NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective 4/1/2009, as follows:</p> <p>This Supplemental Lease Agreement documents that the term of the Lease expires on March 31, 2009 and that the parties desire to extend the term of the Lease and the Government's tenancy on a month-to-month holdover basis under the following terms and conditions:</p> <ol style="list-style-type: none"> 1. <u>Term</u>. The month-to-month holdover tenancy shall begin on April 1, 2009 and shall expire no later than September 30, 2009 ("Extended Hold Over Term"). Either party may terminate the Extended Hold Over Term by giving the other party at least thirty days prior written notice of the intended termination date. This new term supersedes any vacancy date previously stated elsewhere. 2. <u>Base Rent</u>. Effective April 1, 2009 and continuing during the Extended Hold Over Term, the rental rate shall be \$6,357 per month. 3. <u>Utilities</u>. Lessor shall pay all utilities. 4. <u>Janitorial Services</u>. The Government shall provide all janitorial services, including for the common area bathroom of the building in which the Premises are located ("Building"), at its own expense. 5. <u>Maintenance</u>. The Government shall provide all interior and exterior maintenance of the Premises at its own expense. Exterior maintenance shall include, but not be limited to (i) upkeep of the grounds around the Building including landscaping, and trash and debris removal and (ii) repair and replacement of the Building's exterior fixtures and structural elements, including but not limited to the roof and lighting, to extent they relate to the Premises or other areas used by the Government. 6. <u>Government's Obligations Upon Vacating Premises</u>: No later than September 30, 2009, the Government shall: (i) give Lessor copies of all keys or opening devices to Premises, including any common areas; (ii) vacate and surrender Premises to Lessor, empty of all persons; (iii) vacate any/all parking and/or storage space; (iv) clean and deliver Premises to Lessor in broom swept clean condition; (v) remove all personal property and debris; and (vi) give written notice to Lessor of the Government's forwarding address. <p>All other terms and conditions of the Lease which do not conflict with the foregoing shall remain in force and in effect.</p> <p>IN WITNESS WHEREOF, the parties subscribed their names as of the above date.</p>									
<p>LESSOR</p> <p>BY _____ (Signature) _____ (Title)</p> <p>IN PRESENCE OF</p> <p>_____ (Signature) _____ (Address)</p>									
<p>UNITED STATES OF AMERICA</p> <p>BY _____ (Signature) _____ (Official Title)</p>									