



Contra
Costa
County

To: Board of Supervisors
From: Brian M. Balbas, Public Works Director/Chief Engineer
Date: January 10, 2023

Subject: Termination of Lease at 199 Parker Avenue, Rodeo

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Public Works Director, or designee, to terminate the November 19, 2014, lease with New Horizons Career Development Center, for County-owned property located at 199 Parker Avenue in Rodeo.

AUTHORIZE County Counsel to pursue legal action to regain possession of the property.

FISCAL IMPACT:

100% General Fund; Public Works; Org. #4303.

BACKGROUND:

On November 19, 2014, the County entered into a lease with New Horizons Career Development Center (Tenant) for use of the County-owned property located at 199 Parker Avenue in Rodeo. The lease term ended on May 31, 2015. Tenant has continued to occupy the premises as a holdover tenant on a month-to-month basis since then. As a result, the lease is terminable at any time by either party with 30 days' notice.

Tenant is currently paying rent in the amount of \$750 per month for 2,400 square feet

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **01/10/2023** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Ken Carlson, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 10, 2023

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Jewel Lopez,
925.957.2485

cc:

BACKGROUND: (CONT'D)

of office space. Staff estimates that the fair market rental value of the space is approximately \$3,000 per month. In addition, under the terms of the existing lease, the County is responsible for the cost of the utilities being provided to the property and for all maintenance and repairs.

This board order seeks authority to terminate the existing lease and, if necessary, pursue legal action through County Counsel to regain possession of the property. Once the existing lease has been terminated, staff will work with Tenant in an effort to negotiate a new lease that (i) increases the rent to fair market value, and (ii) shifts to Tenant the obligation to pay for utilities, maintenance, and repairs. If Tenant is unable or unwilling to enter into a new lease, the Real Estate Division of Public Works will endeavor to find a new commercial tenant or make the space available for use by an internal client (i.e., a County department). The space is located next door to the Rodeo Senior Center.

Regaining possession of the property will enable the County to make the property available to another interested business at a lower cost to the County.

CONSEQUENCE OF NEGATIVE ACTION:

Failure to terminate the existing lease and regain possession of the property will result in the continuation of a lease that is not economic for the County.