

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE relative to a lease amendment for manufacturing/industrial space for use by the Bureau of Sanitation.

Recommendation for Council action:

AUTHORIZE the Department of General Services (GSD) to negotiate and execute a lease amendment with Positive Investments Inc., for 64,820 square feet of manufacturing/industrial space located at 2714 Media Center Drive for use by the Bureau of Sanitation pursuant to the terms and conditions outlined in the Department's report to Council dated June 29, 2017.

Fiscal Impact Statement: The GSD reports that that this action will not impact the General Fund. Rent and janitorial and utility costs are paid with Sewer Construction Maintenance and Storm Water Pollutants Abatement funds, having no impact on the General Fund. The annual expense for the new lease is anticipated to be approximately \$1,003,414 plus utilities, janitorial, taxes, common area maintenance and insurance totaling approximately \$390,363 per year.

Community Impact Statement: None submitted.

SUMMARY

In a report to Council dated June 29, 2017, GSD requests authority to negotiate and execute a lease amendment with Positive Investments Inc., for manufacturing/industrial space for use by the Bureau of Sanitation. GSD reports that the City has leased the site since 2002 as primarily office space with approximately 1,000 square feet of the space used for industrial waste testing. Waste testing is not permitted at property zoned for office space only. Although the existing rent and new rent price (\$1.29 per square foot) is slightly high, the appraisal does not reflect the higher percentage of office space used by the City, impacts on a low density four-acre industrial park, and the free parking provided at this site for 270 employees. At its meeting held June 29, 2017, the Municipal Facilities Committee approved GSD's request.

At its meeting held August 8, 2017, the Information, Technology, and General Services Committee recommended that Council approve GSD's request.

Respectfully Submitted,

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE


MEMBER VOTE

RODRIGUEZ: YES

BLUMENFIELD: ABSENT

O'FARRELL: YES

-NOT OFFICIAL UNTIL COUNCIL ACTS-