

Recommended Board

Authorize Execution of an Eighteen-Month Lease Extension at 2121 South El Camino Real in San Mateo

Finance Committee

April 24, 2023



Authorize Execution of an Eighteen-Month Lease Extension at 2121 South El Camino Real in San Mateo to Support the Caltrain Modernization Program

CalMod SM Office Lease Extension (May 2023 – Oct 2024)

- Background:
 - JPB PCEP infrastructure contract with Balfour Beatty Infrastructure, Inc. (BBII) requires PCEP to provide BBII 35 parking spaces and 12,000 square feet of office until final acceptance of the Project.
 - Resolution 2014-47 authorized the JPB to enter into a six-year lease, with a single one-year option to support the Caltrain Modernization Program; and Resolution 2020-15 authorized the First Amendment to the lease, which was executed on April 27, 2020, to exercise the one-year option;
 - Resolution 2021-25 authorized an additional lease extension for a portion of the current leasehold area for eighteen months (November 2021 through April 2023).
 - To secure the JPB's control of the office space through the date of final acceptance and Project close-out, staff recommends that JPB extend the lease until October 31, 2024.

CalMod SM Office Lease Extension (May 2023 – Oct 2024)

- Staff negotiated an additional lease extension at a cost of \$4.65 per square foot from May 2023 through April 2024, and \$4.79 per square foot from May 2024 through October of 2024;
- Total cost associated with the additional 18-month extension will be \$1,029,745.20.
- This lease extension costs are included in the approved PCEP budget of \$2.44 billion.
- Received CMB Concurrence on April 19, 2023

Recommended Board Action

- Authorizes the Executive Director to enter into an 18-month lease extension from May 1, 2023, to October 31, 2024, at a total cost of \$1,029,745.20 for the JPB's rental of office space located on the third floor of the office building, covering a total of 12,181 square feet, at 2121 South El Camino Real in San Mateo, CA, to support PCEP.

Q&A

- **Questions / Comments?**

FOR MORE INFORMATION

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