

BOARD MEETING DATE: October 7, 2016

AGENDA NO. 11

PROPOSAL: Amend Lease Agreement with City of Diamond Bar for Use of SCAQMD Facility

SYNOPSIS: On January 1, 2012, SCAQMD executed a facility lease agreement with the City of Diamond Bar to conduct city council meetings and other special meetings at its headquarters facility in Diamond Bar. The agreement will expire on December 31, 2016. This action is to amend the existing lease with the City of Diamond Bar for a 10-year term, at an annual lease payment of \$27,153.84, plus increases of 2-1/2% per year beginning with the second year of this amendment.

COMMITTEE: Administrative, September 9, 2016; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Executive Officer to amend the existing lease with the City of Diamond Bar for a ten-year term, generating annual revenue of \$27,153.84 plus increases of two and one-half percent per year beginning with the second year of this amendment.

Wayne Nastri
Acting Executive Officer

AJO:GT:tc

Background

In 2001, the City of Diamond Bar leased office space in the main lobby area at SCAQMD headquarters. The City occupied the space for eleven years. In 2012, the City purchased property and relocated its City Hall across the street from SCAQMD headquarters. Since their newly acquired space did not have an auditorium or larger conference rooms, the City entered into a facility lease agreement with SCAQMD to use its Conference Center to conduct bimonthly city council meetings and other special meetings as needed. The City holds meetings in the Auditorium, the Hearing Board Room and Conference Room CC-8.

Proposal

Staff recommends amending the contract with the City of Diamond Bar to allow them continued use of SCAQMD's Auditorium and conference rooms for a ten-year period, under the same terms and requirements of the current lease agreement.

Resource Impacts

The monthly lease payment of \$2,262.82 generates \$27,153.84 in revenue annually. Under this amendment, payments will increase by two and one-half percent each year beginning with the second year of the lease.