

W. 8. B. 2.

**AGENDA COVER MEMORANDUM**

**Agenda Date: June 9, 2004**

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**DATE:** May 25, 2004

**TO:** Board of County Commissioners

**DEPARTMENT:** Management Services

**PRESENTED BY:** Jeff Turk, Property Management Officer 2

**SUBJECT:** ORDER/IN THE MATTER OF AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE A THREE YEAR LEASE RENEWAL AGREEMENT WITH THE LANE COUNTY EXTENSION SERVICE WITH REVENUES OF \$228,384 FOR SPACE AT 950 W. 13<sup>TH</sup> AVENUE, EUGENE

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1. **PROPOSED MOTION:** THE BOARD OF COUNTY COMMISSIONERS MOVES TO AUTHORIZE THE COUNTY ADMINISTRATOR TO EXECUTE A THREE YEAR LEASE RENEWAL AGREEMENT WITH THE LANE COUNTY EXTENSION SERVICE WITH REVENUES OF \$228,384 FOR SPACE AT 950 W. 13<sup>TH</sup> AVENUE, EUGENE
  
2. **ISSUE/PROBLEM:** The current three-year lease renewal agreement for 6,500 sq. ft. of space which the Extension Service leases from the county on the Fairgrounds property expires June 30, 2004. Another 3 year renewal is being proposed with a 4% rent increase from \$73,200 annually to \$76,128. The renewal is beyond the limits for execution by the County Administrator without the Board's authorization.

3. **DISCUSSION:**

3.1 Background

The Extension Service has been leasing space in the building since the early 1980s. The lease agreement which is being renewed was initially for the period July 1, 1993 - June 30, 1998 and has subsequently been renewed.

Terms of the lease agreement include the provision of maintenance, repair and janitorial services by the county as well as utilities (electricity, garbage, water). The lease also contains a 60 day termination clause by either party.

### 3.2 Analysis

The proposed rent represents a rate of \$.98/ sq. ft. which is a fair market value for the space and the services provided. This is a net rent to the county as the property will be exempt from property taxes.

The Extension Service has been a good tenant and has worked with the county and its budget limitations with respect to building maintenance, repairs and improvements.

### Alternatives/Options

1. Enter into a 3 year lease renewal as proposed
2. Negotiate different terms as dictated by the Board

### 3.4 Recommendation

It is recommended that the County Administrator be authorized to execute a lease renewal agreement with the Lane County Extension Service which is substantially similar to the attached agreement.

### 3.5 Timing

The current agreement expires June 30, 2004.

4. IMPLEMENTATION/FOLLOW-UP: Upon approval by the Board of County Commissioners, the County Administrator will execute a lease agreement within the given parameters.
5. ATTACHMENTS:  
Board Order  
Renewal Agreement

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO. ORDER/ IN THE MATTER OF AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE A THREE YEAR LEASE RENEWAL AGREEMENT WITH THE LANE COUNTY EXTENSION SERVICE WITH REVENUES OF \$228,384 FOR SPACE AT 950 W. 13<sup>TH</sup> AVENUE, EUGENE

WHEREAS this matter now coming before the Lane County Board of Commissioners and said Board deeming it in the best interest of Lane County to enter into a lease renewal agreement with the Lane County Extension Service (lessee), and

WHEREAS said lease renewal agreement is beyond the authority of the County Administrator to execute without the Board's authorization

IT IS HEREBY ORDERED that the County Administrator is authorized to execute a three year lease renewal agreement with the Lane County Extension Service (lessee) for approximately 6,500 sq. ft. of space located at 950 W. 13<sup>th</sup> Avenue, Eugene, with terms substantially similar to attached exhibit "A"

IT IS FURTHER ORDERED, that this Order shall be entered into the records of the Board of Commissioners of the County.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2004

\_\_\_\_\_  
Bobby Green, Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM  
Date 6/1/04 lane county  
[Signature]  
OFFICE OF LEGAL COUNSEL

IN THE MATTER OF AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE A THREE YEAR LEASE RENEWAL AGREEMENT WITH THE LANE COUNTY EXTENSION SERVICE WITH REVENUES OF \$228,384 FOR SPACE AT 950 W. 13<sup>TH</sup> AVENUE, EUGENE

**EXHIBIT A**

**LEASE RENEWAL  
LANE COUNTY EXTENSION SERVICE**

WHEREAS, Lane County (lessor), a political subdivision of the State of Oregon, and the Lane County Extension Service (lessee) entered into a lease agreement for the period July 1, 1993 through June 30, 1998 for approximately 6,500 square feet of office space located at 950 West 13th Avenue, Eugene with said lease amended October 20, 1995 and

WHEREAS, said lease was renewed through June 30, 2004

The parties do hereby agree to renew said lease agreement for the period July 1, 2004 through June 30, 2007 with the following changes:

1. Monthly rent for the renewal term shall increase from \$6,100.00 to \$6,344.00 (\$76,128.00 annually).

All other terms and conditions of the original lease agreement, extensions thereof and addendums thereto, not affected by this renewal shall remain in full force and effect.

**LESSEE**

**LESSOR**

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
William VanVactor  
County Administrator

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Printed name of authorized representative