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**FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)  
EXECUTIVE OFFICER'S REPORT**

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CONSENT AGENDA ITEM NO. 5-C

**DATE:** November 10, 2021

**TO:** Fresno Local Agency Formation Commission

**FROM:** David E. Fey, Executive Officer 

**SUBJECT:** Consider Approval: Authorize the Executive Officer to extend the existing lease agreement with the Milner Klein Realty Company (DBA Physicians' Building Partners).

**RECOMMENDATION:** Approve.

**Background**

LAFCo's current office lease in the Physician's Building will expire at the end of January 2022. The lease agreement provides LAFCo with the option to extend the lease for an additional 36 months at a rate to be mutually agreed upon by LAFCo and the property owner. LAFCo must notify the property owner in writing no less than six months prior to the end of the lease term if tenant intends to exercise the 36-month option to extend the lease.

LAFCo currently leases 1,812 square feet at \$1.61/sf with a utility/janitorial charge of \$0.408/sf for a monthly rent of approximately \$3,656. LAFCo is also assigned five parking spaces.

Earlier this year staff mentioned to the Commission its interest in moving the office. After reviewing commercial spaces in Fresno and Clovis, as well as what the County has to offer, staff concludes that the current office space is sufficient for the time being. The current office space is suitable for LAFCo staff operations, is known by the local agencies that staff does business with and provides convenient free parking to visitors.

LAFCo has been offered a one-year extension at \$1.65/sf.