March 3, 2015

Marin County Board of Supervisors
3501 Civic Center Drive, Suite 329
San Rafael, CA 94903

SUBJECT: Transfer Available Funds for Office Space Renovations at
1600 Los Gamos to close out the leased space at 899 Northgate

Dear Board Members:

RECOMMENDATIONS:

1. Authorize Department of Finance to transfer remaining project funds to
   1600 Los Gamos office space renovation Capital Project;

2. Authorize County Administrator to utilize property manager Sares Regis to
   complete additional office space renovations at 1600 Los Gamos;

SUMMARY: As outlined in the staff report from November 15, 2011, the total
project costs estimated at $81.9 million included the cost of operating
expenses for the building during the construction of the EOF, which were not
part of the construction or acquisition costs. Since the project was completed
toward the end of the fiscal year, there are approximately $1.7 million in
remaining project funds. Consistent with your Board’s direction to move
County departments out of leased space into 1600 Los Gamos, we are
recommending that the balance of funds in the capital account for the EOF be
transferred to the existing Capital Project account for the tenant
improvements for County departments moving out of leased space into 1600
Los Gamos, including capital upgrade and accessibility projects at 1600 Los
Gamos not associated with the EOF. Similar to the EOF project, it is
recommended that the County Administrator be authorized to provide for the
expenditure of these capital improvement funds through the contracted
property management firm, Sares Regis, for these additional 1600 Los
Gamos improvements.

These improvements are required to provide space for Health and Human
Services and Department of Public Work employees that are currently housed
at 899 Northgate. The transfer of these funds is necessary to meet the
timeline of the expiration of the current lease at the end of May 2015. This is
the first phase of consolidating County staff from leased space.
FISCAL IMPACT:
This action would transfer $1.7 million from available funds for space improvements at 1600 Los Gamos. Once completed, the County's General Fund would save $710,000 annually in gross rent and operating expenses at 899 Northgate.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Transfer from Fund Center</th>
<th>Commitment Item #</th>
<th>Amount</th>
<th>Fund</th>
<th>Transfer to Fund Center</th>
<th>Commitment Item #</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>27900</td>
<td>4100991122 (EOF Project)</td>
<td>5210100 (Prof. Services)</td>
<td>$1,687,000</td>
<td>27900</td>
<td>4100991160 (Office Space Renovation)</td>
<td>5220400 (Construction)</td>
<td>$1,687,000</td>
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</tbody>
</table>

Please let me know if you have any questions or concerns.

REVIEWED BY: [ ] Finance [X] N/A
[ ] County Counsel [X] N/A
[ ] Human Resources [X] N/A

Respectfully submitted,

Matthew H. Hywel
County Administrator

David Speer
Facilities Planning and Development Manager

cc: Saaid Fakharzadeh, Assistant Director, Public Works
    Eric Steger, Assistant Director, Public Works