

SBCERS

Santa Barbara County Employees' Retirement System

DATE: August 23, 2023

TO: SBCERS Board of Retirement

FROM: Greg Levin, CEO

RE: SBCERS Lease for Suite 100 at 130 Robin Hill Road

Recommended Action:

That the Board of Retirement authorize the CEO to execute a 10-year lease in writing at \$1.85 NNN per month with a 5-year option to extend the lease.

Summary:

The attached proposed lease documents the agreement to lease the new office space occupied by SBCERS in Robin Hill Road building. The following table illustrates the terms proposed for the new lease, compared to the lease for the space previously occupied in the building.

	Proposed Lease	Current Lease
Leased Square footage	8,818 sq. ft.	5,313 sq. ft.
Cost per square foot	\$1.85	\$2.00
Total Monthly Rent	\$16,313.30	\$10,626
Lease Duration	10 – Year / 5 – Year Option	Month to Month
Lease Type	NNN*	Modified Gross*
CPI	3 to 5% based on CPI	3 to 5% based on CPI
Common Area Expense Estimate	65 cents / sq. ft.	N/A

*NNN stands for the term “triple net.” The “three nets” it typically refers to are taxes, insurance, and maintenance. The term modified gross lease means that only electricity, water and sewer are charges are assessed on top of the lease rate.

Attachments:

- Draft Proposed Lease