



**TRUCKEE TAHOE AIRPORT DISTRICT
BOARD OF DIRECTOR STAFF REPORT**

AGENDA TITLE: Approval of Office Space Lease Agreement for Truckee Tahoe Airport District (TTAD) at the Martis Peak Building at 12242 Business Park Drive, Truckee, CA

MEETING DATE: October 28, 2020

PREPARED BY: Kevin Smith, General Manager

RECOMMENDATION: Review and approve by consent a 3-year Lease Agreement between Martis Peak LLC and TTAD for the lease of 1,933 sq. ft. of office space for District employee use at 12242 Business Park Drive, Truckee, CA.

DISCUSSION: To meet current and future airport office space needs, staff proposes to lease 1933 sq. ft. from Mr. Sean O’Toole of Martis Peak LLC in the Martis Creek Office Building. Staff feels this additional office space will be important to meet current needs as well as short horizon (5 year) office space needs. This proposal will also assist in providing additional space to meet workplace social distancing requirements related to COVID-19 which are likely to continue for the foreseeable future.

In addition to the already mentioned considerations for leasing office space, as part of our 2020 Budget workshop and subsequent Budget reviews, the Administration Office Building addition intended to meet current and future needs has been delayed or postponed for future consideration. Staff feels this office space is an affordable alternative to the addition proposed on the administration building.

The office space proposed is 1933 sq. ft. and includes 5 offices, a conference room, break area, and entry (see attached map). Our intent will be to move the Human Resource/District Clerk (Lauren Tapia), the Finance and Administration Department including Director of Finance and Administration (Kelly Woo), Staff Accountant (Sean Holmes), and Accounting Clerk (Michelle Nichols) to this space. This move will open two offices within the Admin. Building which will be

occupied by Safety and Security Manager and an undetermined Aviation and Community Services Department employee.

Staff agrees that this office lease space can serve as a good compromise to an addition to the Administration Building estimated at \$1,000,000 for the short to medium planning horizons. Eventually staff feels the addition will be necessary. While the bidding and construction document process has been put on hold, the District will receive finalized addition plans as well as land use permits from Nevada County which are active for 7 years. The District could essentially restart the addition process at any time within the next 7 years and complete the project.

FISCAL IMPACT: The monthly lease rate for the proposed space \$3,614 or \$43,376 per year (CAM included). The details regarding terms, rates, and lease summary are included in Exhibit A. This is a 36-month lease commitment with the ability to renew. The proposed 2021 Budget includes the funding for this proposal as well as some additional office furniture.

CONSENT MOTION: I move to approve to approve by consent the attached 3 year Lease Agreement between Martis Peak LLC and TTAD for the lease of 1,933 sq. ft. of office space for District employee use at 12242 Business Park Drive, Truckee, CA.

ATTACHMENTS:

Martis Peak, LLC Lease Agreement

Exhibit A Basic Lease Summary (Term Sheet)

Lease Space Floor Plan