

STAFF REPORT
Lancaster Redevelopment Agency

RCC 7
07/08/2008
MVB

Date: July 8, 2008

To: Chairman Parris and Agency Directors

From: Robert W. Greene, Interim Director, Parks, Recreation and Arts Department

Subject: **Cal State University, Fresno - Ground Lease Extension**

Recommendation:

Approve the lease extension between the City of Lancaster and California State University, Fresno (CSUF) for the use of real property known as the Engineering Laboratory at the Lancaster University Center.

Fiscal Impact:

Revenue is estimated to be \$465 per month; revenue in account number 938-3610-100.

Background:

In June of 2005, the City of Lancaster entered into a ground lease agreement with California State University, Fresno for the use of the Engineering Laboratory at the Lancaster University Center. The lease was to take effect January 1, 2006 and terminate one year thereafter. The lease was executed for a term of one year with options to extend.

The original lease stipulated, "Lessor recognizes the hardship of starting an engineering program and agrees to waive rent until the engineering program at the Lancaster University Center has an enrollment of twenty-five (25) full time equivalent students." Included in this lease amendment is a change to the rent procedure which ends this particular provision. Effective upon signatures of the appropriate parties, CSUF will begin paying the monthly rent outlined above.

Staff suggests extending the current lease through January 1, 2009 with automatic extensions to ensue thereafter for up to three years at the discretion of the City of Lancaster.

RP:jzs

Attachment(s):

1. Engineering Lab Lease Extension