

Midpen Office Building

A new office building is under development to bring Midpen's administrative staff under one roof to save money and increase efficiency.

Background

Midpen's success in growing the regional greenbelt has created an office space issue for the open space district. Since voters created the district in 1972, Midpen has matured beyond simply protecting open space from development.

With the extension of the District boundary and implementation of the Coastside Protection Program in 2004, Midpen now supports sustainable grazing and other agricultural uses of public lands. Following voter approval of Measure AA in 2014, Midpen increased natural restoration efforts and ecologically sensitive public access as part of its mission to preserve land in perpetuity.

The staff required to fulfill this enhanced charge and to manage the 63,000 acres now protected forever has increased, creating the need to lease an additional 8,000 square feet of office space, at a cost of \$380,000 annually. That rent is increasing by 15% to \$437,000 for the next fiscal year.

As a forward-thinking and fiscally prudent public agency, Midpen has been planning for long-term office space needs by setting aside general reserve funds. Measure AA bond funds are restricted for land preservation, restoration and public access projects and are not being used for this purpose.

Planning Process

After exploring alternatives, including renovating or rebuilding the current office, the Midpen Board of Directors determined purchasing a larger building and selling the current one to be the most cost-efficient, environmentally sound, long-term solution.

In July 2017, the opportunity arose to purchase a 39,000-square-foot two-story building across the street from Midpen's current office. The purchase price of \$31.5 million will be partially offset by the sale of the existing building and the rental income from leasing space in the new building not needed in the near term. Until escrow closed on February 1, 2019, Midpen was under a seller-required confidentiality clause, with an exception for public agendas, written reports and discussions.

Compared to tearing down the current office to construct a more suitable multi-story facility, purchasing the nearby building is more cost-effective with rising construction costs, increased leasing costs and lost productivity during construction, and the negative environmental impact of demolition considered. A single office building located centrally in the District is also more advantageous than leasing or purchasing satellite offices when rapidly increasing rent and transportation time, costs and impacts to the environment are considered.

The newly purchased building will require reconfiguration to meet Midpen's needs, including adequate public meeting space and proper accessibility accommodations. With those improvements, the building is expected to serve Midpen for the next 30-40 years.

To save time and money with an efficient transition following the escrow period, Midpen has made preliminary plans for necessary building improvements, including required accessibility upgrades and public meeting accommodations.

For information and project updates visit openspace.org/office



Midpeninsula Regional Open Space District 330 Distel Circle Los Altos, California 94022-1404 650-691-1200 www.openspace.org