

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Resolution No.: 17-524)

Adopted Resolution No. 17-524 to:)

- a) Approve and authorize an increase in appropriations and revenues in the amount of \$6,139,413 in the FY 2016-17 Adopted Budget for the Department of Social Services, Fund 001-5010-8262-SOC005, where the financing source is Other Financing Sources-Lease Proceeds, to record the Capital Lease for the LIFE Foundation Building located at 1000 S. Main Street in Salinas (4/5ths vote required); and)
- b) Approve and authorize the Auditor-Controller to amend the budget for Social Services, Fund 001-5010-8262-SOC005, for FY 2016-17 by increasing appropriations and revenues in the amount of \$6,139,413, where the financing source is Other Financing Sources-Lease Proceeds. (4/5ths vote required).....)

WHEREAS, the Department of Social Services and Health Department, Behavioral Health Children’s Services (BHCS) currently occupy 99,322 square feet of leased space at the LIFE Foundation Building (LFB) at 1000 S. Main Street in Salinas; and

WHEREAS, the Resource Management Agency (RMA) negotiated with the Low Income Family Enrichment Foundation (Lessor) to consolidate all leased space into one Lease Agreement as of July 1, 2016, reduce the annual cost of living adjustment from 3.3% to 2.5% and extend the term to June 30, 2030; and

WHEREAS, the Second Amendment to Lease Agreement A-10907 included an option to purchase the building after June 2026; and

WHEREAS, the Second Amendment to Lease Agreement A-10907 contains a bargain purchase option, which meets the criteria for a Capital Lease classification, requiring DSS to record their portion of the Capital Lease at the fund level.; and

WHEREAS, the Auditor-Controller has determined the full value of the lease as \$17,240,416.67, with DSS’ share being \$15,593,132.54; and

WHEREAS, DSS requires an increase in appropriations and revenues in the amount of \$6,139,413 in the FY 2016-17 Adopted Budget for the Department of Social Services to record the expenditure for the Capital Lease, along with the corresponding entry for the financing; and

NOW, THEREFORE, the Monterey County Board of Supervisors hereby resolve to approve the following:

- a) Approve and authorize an increase in appropriations and revenues in the amount of \$6,139,413 in the FY 2016-17 Adopted Budget for the Department of Social Services, Fund 001-5010-8262-SOC005, where the financing source is Other Financing Sources-Lease Proceeds, to record the Capital Lease for the LIFE Foundation Building located at 1000 S. Main Street in Salinas; and
- b) Approve and authorize the Auditor-Controller to amend the budget for Social Services, Fund 001-5010-8262-SOC005, for FY 2016-17 by increasing appropriations and revenues

in the amount of \$6,139,413, where the financing source is Other Financing Sources-Lease Proceeds.

PASSED AND ADOPTED upon motion of Supervisor Alejo, seconded by Supervisor Salinas and carried this 14th day of November 2017, by the following vote, to wit:

AYES: Supervisors Alejo, Phillips, Salinas, Parker and Adams

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting on November 14, 2014.

Dated: December 20, 2017
File Number: 17-1168

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By _____
Deputy