

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

Resolution No.:

- a. Finding that the purchase of the 18,500 square-foot clinic building located at 1156 Fremont Boulevard in Seaside (APN 012-371-023 & 012-371-063), is exempt from CEQA per the General Rule exception of section 15061 of CEQA Guidelines because there will be no change in use of the building; and
- b. Approving a Commercial Property Purchase Agreement and Joint Escrow Instructions with Montage Health, a California nonprofit for public benefit corporation, to acquire the building for the estimated amount of \$11,810,000 for the continued use as the Health Department's Seaside Family Health Center; and
- c. Authorizing the Contracts/Purchasing Officer to execute the Commercial Property Purchase Agreement and Joint Escrow Instructions and any necessary transfer documents to complete the purchase including Certificate of Acceptance and Consent to Recordation on behalf of the County; and
- d. Authorizing and directing the Auditor-Controller to amend the Fiscal Year (FY) 2019-20 adopted budget for Facilities Master Plan Projects, Fund 404, Appropriation Unit RMA015, increasing appropriations and Operating Transfers In by \$11,810,000, where the Operating Transfer in will be provided by Natividad Medical Center (NMC), Fund 451, Appropriation Unit NMC001 for the acquisition of the property (4/5th vote required).

WHEREAS, In June 2013, the County entered into a 20-year Lease Agreement (No. A-12467) with Community Hospital Properties, Inc. (CHP) for the development of a new Seaside Family Health Center of approximately 25,000 rentable square feet at the property located at 1150-1154 Fremont Boulevard in Seaside; and,

WHEREAS, The Lease Agreement provided for Tenant Improvements at a cost not to exceed \$3,618,000; and,

WHEREAS, In September 2014, Amendment No. 1 to the Lease Agreement was executed to modify the rentable space to 19,962 square feet and provide additional time necessary to finalize the plans for the tenant improvements of the premises and for CHP to acquire a neighboring property for additional required parking; and,

WHEREAS, on January 12, 2016, Amendment No. 2 to the Lease Agreement was executed for the construction of a new building at the rear of the existing site for occupancy by the County, including a right of first refusal and option to purchase; and,

WHEREAS, on July 5, 2017 the Health Department started to operate the new Seaside Family Health Center with minimal interruption to services; and,

WHEREAS, in accordance with the option to purchase provision in Amendment No. 2, the County must enter a purchase transaction with CHP prior to July 5, 2020; and,

WHEREAS, the Department of Health requests the Board of Supervisors authorize and direct the Auditor-Controller to amend the Fiscal Year 2019-20 Adopted Budget for Facilities

Master Plan Projects, Fund 404, Appropriation Unit RMA015, increasing appropriations and Operating Transfers In by \$11,810,000 where the Operating Transfer in will be provided by Natividad Medical Center (NMC), Fund 451, Appropriation Unit NMC001 for the acquisition of the property (4/5 vote required); NOW, THEREFORE,

The Board of Supervisors for the County for Monterey hereby resolves as follows:

- a. The above recitals are true and correct.
- b. The purchase of the 18,500 square-foot clinic building located at 1156 Fremont Boulevard in Seaside (APN 012-371-023 & 012-371-063), is exempt from CEQA per the General Rule exception of section 15061 of CEQA Guidelines because there will be no change in use of the building.
- c. A Commercial Property Purchase Agreement and Joint Escrow Instructions with Montage Health, a California nonprofit for public benefit corporation, to acquire the building for the estimated amount of \$11,810,000 for the continued use as the Health Department's Seaside Family Health Center is approved.
- d. The Contracts/Purchasing Officer is authorized and directed to execute the Commercial Property Purchase Agreement and Joint Escrow Instructions and any necessary transfer documents to complete the purchase including Certificate of Acceptance and Consent to Recordation on behalf of the County.
- e. The Auditor-Controller is authorized and directed to amend the Fiscal Year (FY) 2019-20 adopted budget for Facilities Master Plan Projects, Fund 404, Appropriation Unit RMA015, increasing appropriations and Operating Transfers In by \$11,810,000, where the Operating Transfer in will be provided by Natividad Medical Center (NMC), Fund 451, Appropriation Unit NMC001 for the acquisition of the property.

PASSED AND ADOPTED on this ____ day of _____, 2020, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

I, Valerie Ralph, 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___ for the meeting on

_____.

Dated:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By _____
, Deputy