



Legislation Details (With Board Report)

File #: A 13-050 **Name:** Lease Agreement 355-359 Gabilan Dr. Soledad
Type: BoS Agreement **Status:** Passed
File created: 4/10/2013 **In control:** Board of Supervisors
On agenda: 4/23/2013 **Final action:** 4/23/2013

Title: a. Approve and authorize the Contracts/Purchasing Officer to execute a five year Lease Agreement, effective on or around May 1, 2013, with Nieto L.P., for approximately 5,868 rentable square feet of space located at 355-359 Gabilan Drive, Soledad, California, for use by the Health Department;
b. Authorize the Auditor-Controller to make lease payments of \$6,500.00 per month and in accordance with the terms of the agreement; and
c. Authorize the extension of the Lease Agreement for two additional three-year periods under the same terms and conditions, and make minor revisions to the Lease Agreement if deemed by the Contracts/Purchasing Officer to be in the best interests of the County.

Sponsors: Ray Bullick

Indexes:

Code sections:

Attachments: 1. 355-359 Gabilan_LA_Co Co Lessor sigs (4-4-13).pdf, 2. 355-359 Gabilan Drive_Location Map(4-5-13-13).pdf, 3. Completed Board Order, 4. Fully Executed Agreement

Date	Ver.	Action By	Action	Result
4/23/2013	1	Board of Supervisors	approved	

a. Approve and authorize the Contracts/Purchasing Officer to execute a five year Lease Agreement, effective on or around May 1, 2013, with Nieto L.P., for approximately 5,868 rentable square feet of space located at 355-359 Gabilan Drive, Soledad, California, for use by the Health Department;
b. Authorize the Auditor-Controller to make lease payments of \$6,500.00 per month and in accordance with the terms of the agreement; and
c. Authorize the extension of the Lease Agreement for two additional three-year periods under the same terms and conditions, and make minor revisions to the Lease Agreement if deemed by the Contracts/Purchasing Officer to be in the best interests of the County.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Approve and authorize the Contracts/Purchasing Officer to execute a five year Lease Agreement, effective on or around May 1, 2013, with Nieto L.P., for approximately 5,868 rentable square feet of space located at 355-359 Gabilan Drive, Soledad, California, for use by the Health Department;
b. Authorize the Auditor-Controller to make lease payments of \$6,500.00 per month and in accordance with the terms of the agreement; and
c. Authorize the extension of the Lease Agreement for two additional three-year periods under the same terms and conditions, and make minor revisions to the Lease Agreement if deemed by the Contracts/Purchasing Officer to be in the best interests of the County.

SUMMARY/DISCUSSION:

Approval of the Lease Agreement will provide for occupancy of approximately 5,868 rentable square feet of space to be used by the Health Department. The lease term will commence on or around May 1, 2013, and expire on or around April 30, 2018. Commencement rent will be \$6,500.00 per month. The Lease

Agreement provides for two, three-year extension options under the same terms and conditions including annual rental adjustments.

Opening a clinic in Soledad will expand healthcare services in the south region of Monterey County. It will provide much needed support to the residents of this area. This integrated clinic will house staff from Behavioral Health's Adult/ Children's System of Care/Access, Public Health Regional Team, and Women Infant & Children (WIC) to provide health services to the underserved people of the most rural areas of our County. This site will improve availability and equity of services throughout Monterey County. The WIC Program staff will be relocating from an adjacent suite in the same shopping center and the Public Health Regional Team located in South County will have one office available for their client visits.

OTHER AGENCY INVOLVEMENT:

Resource Management Agency facilitated the negotiations of the Lease Agreement and assisted with the development of this report. The Office of the County Counsel has reviewed and approved the Lease Agreement as to form and legality. County standard lease insurance and indemnity provisions are being used in this Lease Agreement. Lease Agreement on file with the Clerk of the Board; Location Map on file with the Clerk of the Board.

FINANCING:

The funding for this agreement is Mental Health Services Act (MHSA) monies, Medi-Cal, U. S. Department of Agriculture (USDA), and other available sources. The FY 2012-13 HEA012 Adopted Budget for Behavioral Health does not include specified expenditures and revenue for this lease. Health will coordinate with the County Administrative Office and, if necessary, request from the Board of Supervisors increased appropriations. Any increased appropriations would be offset entirely by increased revenue through transfer of MHSA monies and other available sources currently in reserve accounts in Fund 023 (Behavioral Health). There are sufficient appropriations and revenues in the FY 2012-13 HEA003 Adopted Budget for the costs associated with the WIC Program and Public Health Regional Team. On-going occupation of the leased premises and future extensions of the Lease Agreement will be based on the continued availability of funding. The first-year leasing cost will amount to \$78,000, including common area maintenance and utility services. The initial term leasing costs will be subject to a 1% increase at the end of each lease anniversary year.

Prepared by: Pat Bass, Management Analyst, 4538

Approved by: Ray Bullick, Director of Health

Attachments:

Lease Agreement on file with the Clerk of the Board

Location Map on file with the Clerk of the Board