



Board Report

File #: A 23-206, **Version:** 1

- a. Approve and authorize the Contracts/Purchasing Officer or the Contracts Purchasing Supervisor to execute 12-month Lease Amendment No. 3, to Lease Agreement No. A-12690, with San Jose Apartments, LLC. (Lessor), for approximately 12,081 rentable square feet of space at 559 East Alisal Street, Salinas, California, for use by the Health Department's Clinic Services Bureau (Health), increasing the monthly rent from \$23,195.52 to \$24,822.50; effective June 10, 2023, not to exceed \$297,876; and,
- b. Authorize the Auditor-Controller to make lease payments of \$24,823 per month in accordance with the terms of the Lease Agreement.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer or the Contracts Purchasing Supervisor to execute 12-month Lease Amendment No. 3, to Lease Agreement No. A-12690, with San Jose Apartments, LLC. (Lessor), for approximately 12,081 rentable square feet of space at 559 East Alisal Street, Salinas, California, for use by the Health Department's Clinic Services Bureau (Health), increasing the monthly rent from \$23,195.52 to \$24,822.50; effective June 10, 2023, not to exceed \$297,876; and,
- b. Authorize the Auditor-Controller to make lease payments of \$24,823 per month in accordance with the terms of the Lease Agreement.

SUMMARY/DISCUSSION:

The Clinic Services Bureau has occupied 559 East Alisal in Salinas California (Premises), since 2001 and operates as the Alisal Health Center. The Alisal Health Center is designated as a Federally Qualified Health Center Look-Alike and, as a requirement of its licensure, must remain located in the area of the population it serves. In addition to being located within walking distance of its patient population, this building space provides access to bus lines, and a secured parking garage for staff.

Approval of this Lease Amendment No. 3 to Lease Agreement No. A-12690, will extend the Lease Agreement by eight (8) months, to February 9, 2024 to allow additional time to negotiate a new Lease Agreement along with tenant improvements for the continued occupancy of approximately 12,081 rentable square feet of clinic and medical office space used by the Clinic to provide services for the residents of the local community and neighboring areas. Lease Amendment No. 3 to Lease Agreement A-12690 will commence on June 10, 2023.

This work supports the Monterey County Health Department's 2018-2022 Strategic Plan Goals: 3. Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports the following of the ten essential public health services, specifically: 7. Link people to needed personal health services and assure the provision of healthcare when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:

The Department of Public Works Facilities and Parks (PWFP) assisted with the development of this report. The Office of the County Counsel and the Auditor-Controller's Office have reviewed and approved the Lease Amendment No. 3 as to form and fiscal provisions, respectively.

FINANCING:

There is no financial impact to the General Fund resulting from the approval of the proposed Lease Amendment No. 3. Sufficient funds are available in the Health Department, Clinic Services Bureau (HEA007-8097) Fiscal Year (FY) 2023-24 Requested Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Juanita Sanders, Management Analyst II, 755-5494

Approved by:

_____ Date

Elsa Mendoza Jimenez, Director of Health, 755-4526

Attachments:

Board Report

Lease Amendment No. 3

Lease Amendment No. 2

Board Order (Amd. No. 2)

Lease Amendment No. 1

Board Order (Amd. No. 1)

Lease Agreement

Board Order (Lease Agreement)