



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 21-512, **Version:** 1

- a. Approve and authorize the Contracts/Purchasing Officer or designee to execute Lease Amendment No. 2 to Lease Agreement No. A-12690, with San Jose Apartments, LLC, effective November 1, 2021 to add Suite 107 with approximately 320 rentable square feet of space at 559 East Alisal Street, Salinas, California, increasing the size of the leased premises from 11,761 to 12,081 square feet, increasing the monthly rent from \$22,380.46 to \$22,953.90 and extend the term one (1) year for a term ending, June 09, 2023, for use by the Health Department's Clinic Services Bureau; and
- b. Authorize the Auditor-Controller to make lease payments of \$22,953.90 per month in accordance with the terms of the Agreement.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer or designee to execute Lease Amendment No. 2 to Lease Agreement No. A-12690, with San Jose Apartments, LLC, effective November 1, 2021 to add Suite 107 with approximately 320 rentable square feet of space at 559 East Alisal Street, Salinas, California, increasing the size of the leased premises from 11,761 to 12,081 square feet, increasing the monthly rent from \$22,380.46 to \$22,953.90 and extend the term one (1) year for a term ending, June 09, 2023, for use by the Health Department's Clinic Services Bureau; and
- b. Authorize the Auditor-Controller to make lease payments of \$22,953.90 per month in accordance with the terms of the 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.

During the term of the Lease Agreement, the Premises, owned by Ramiro and Sarai Alcalá, dba 559 East Alisal, LLC was sold, and ownership was transferred to Khosrow Haghshenas, dba San Jose Apartments, LLC.

Approval of this Lease Amendment No. 2 to Lease Agreement No. A-12690, will provide space needed to increase patient capacity and reduce patient wait times. This Amendment No. 2 will also extend the Lease Agreement to June 09, 2023 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. 2 to Lease Agreement A-12690 will commence on November 1, 2021. Commencement rent will include the additional 320 square feet for total rentable space of 12,081 square feet, at \$1.90 per square foot for a total rent payment of \$22,953.90 per month.

This work supports the Monterey County Health Department 2018-2022 Strategic Plan Initiatives: 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 Public Works Facilities and Parks - Real Property Division assisted with the development of this report. The Office of the County Counsel and the Auditor-Controller have reviewed and approved the Lease Amendment No. 2 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. 2. Sufficient funds are available in the Health Department, Clinic Services Bureau (HEA007-8097) Fiscal Year (FY) 2021-22 Adopted Budget and will be included in the FY 2022-23 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: Frances Stevens, Management Analyst II, 755-4532

Approved by:

Date: _____

Elsa Mendoza Jimenez, Director of Health, 755-4526

Attachments:

Amendment No 2

Amendment No 1

Agreement