



County of Monterey

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

Board Report

File #: A 20-457, Version: 1

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute a two (2) year Lease Renewal and Amendment No. 1 to Lease Agreement No. A-12690 (Lease Agreement), effective retroactively to June 10, 2020, with San Jose Apartments, LLC, for approximately 11,761 rentable square feet of space located at 559 East Alisal Street, Suites 106 and 200, in Salinas, California, for use by the Health Department's Clinic Services Bureau; and
- b. Authorize the Auditor-Controller to make lease payments of \$22,158.87 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 Contracts/Purchasing Supervisor to execute a two (2) year Lease Renewal and Amendment No. 1 to Lease Agreement No. A-12690 (Lease Agreement), effective retroactively to June 10, 2020, with San Jose Apartments, LLC, for approximately 11,761 rentable square feet of space located at 559 East Alisal Street, Suites 106 and 200, in Salinas, California, for use by the Health Department's Clinic Services Bureau; and
- b. Authorize the Auditor-Controller to make lease payments of \$22,158.87 per month in accordance with the terms of the Lease Agreement.

SUMMARY/DISCUSSION:

The Health Department's Clinic Services Bureau has occupied 559 East Alisal in Salinas California (Premises) since 2001 and operates said Premises 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 initial term of the Lease Agreement, the Premises, which was previously owned by Ramiro and Sarai Alcala, dba 559 East Alisal, LLC was sold, and ownership of the Premises was transferred to the current Owner Khosrow Haghshenas, dba San Jose Apartments, LLC.

Approval of this two-year Lease Renewal and Amendment No. 1 to Lease Agreement No. A-12690, will provide time to negotiate a new Lease Agreement along with tenant improvements for the continued occupancy of approximately 11,761 rentable square feet of clinic and medical office space used by the Health Department's Clinic Services Bureau (Clinic) to provide services for the residents of the local community and neighboring areas. The Lease Renewal and Amendment No. 1 to Lease Agreement No. A-12690 will commence retroactively on June 10, 2020 and expire on June 09, 2022. Commencement rent will include a one percent (1%) increase of \$219.39 for a total of \$22,158.87 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 Resource Management Agency assisted with the development of this report. The Office of County Counsel-Risk Manager has reviewed and approved the proposed Lease Renewal and Amendment No 1 as to form. The Auditor-Controller's Office has reviewed the proposed Lease Renewal and Amendment No. 1 as to fiscal provisions.

FINANCING:

There is no financial impact to the General Fund resulting from the approval of the proposed Lease Renewal and Amendment No. 1. Sufficient funds are available in the Health Department, Clinic Services Bureau (001-4000-HEA007) FY 2020-21 Adopted Budget and will be included in the FY 2021-22 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 Jimenez, Director of Health, 755-4526

Attachments:

Lease Amendment No 1 with location map, is on file with the Clerk of the Board

Lease Agreement is on file with the Clerk of the Board