



County of Monterey

Item No.63

Board Report

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

Legistar File Number: A 24-525

December 03, 2024

Introduced: 11/4/2024

Current Status: Health Department -
Consent

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Contracts/Purchasing Officer or designee to execute a ten (10) year Lease Agreement, effective retroactive to November 13, 2024 with SIBS, A Limited Partnership, for approximately 3,998 square feet of general office space at 30 South Pearl Street, Salinas, California, for use by the Health Department's Behavioral Health Bureau's MCSTART (Monterey County Screening Team for Assessment, Referral, and Treatment) Program; and
- b. Authorize the Auditor-Controller to make lease payments of \$5,106 per month in accordance with the terms of the Lease Agreement; and
- c. Authorize the Auditor-Controller to make a one lump sum Premise Improvement payment of \$904,722 within sixty (60) days upon Premise Improvement completion in accordance with the terms of the Lease Agreement; and
- d. Authorize the extension of the Lease Agreement for two (2) additional five-year terms under the same terms and conditions and make minor revisions to the Lease Agreement if deemed to be in the best interest of the County by the Contracts/Purchasing Officer or designee and subject to review and approval as to form by the Office of the County Counsel and review and approval of fiscal provisions by the Auditor Controller's Office.

RECOMMENDATION:

It is recommended that the County of Monterey Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer or designee to execute a ten (10) year Lease Agreement, effective retroactive to November 13, 2024 with SIBS, A Limited Partnership, for approximately 3,998 square feet of general office space at 30 South Pearl Street, Salinas, California, for use by the Health Department's Behavioral Health Bureau's MCSTART (Monterey County Screening Team for Assessment, Referral, and Treatment) Program; and
- b. Authorize the Auditor-Controller to make lease payments of \$5,106 per month in accordance with the terms of the Lease Agreement; and
- c. Authorize the Auditor-Controller to make a one lump sum Premise Improvement payment of \$904,722 within sixty (60) days upon Premise Improvement completion in accordance with the terms of the Lease Agreement; and
- d. Authorize the extension of the Lease Agreement for two (2) additional five-year terms under the same terms and conditions and make minor revisions to the Lease Agreement if deemed to be in the best interest of the County by the Contracts/Purchasing Officer or designee and subject to review and approval as to form by the Office of the County Counsel and review and approval of fiscal provisions by the Auditor Controller's Office.

SUMMARY/DISCUSSION:

The Health Department's Behavioral Health Bureau's MCSTART Program has occupied space at 30 South Pearl Street, Salinas, California since February 1, 2002, with SIBS, A Limited Partnership. Approval of the new Lease Agreement will provide MCSTART with continued occupancy through August 31, 2034. The monthly rent for the initial lease term will be \$5,106.67 and subject to annual rental adjustments based off any increase in the Cost-of-Living Index, calculated on the basis of the Department of Labor Consumer Price Indexes, all urban consumers for the San Francisco-Oakland-San Jose area, not to exceed 5% with a minimum increase not less than 2%. The Landlord shall perform Premise Improvements in accordance with plans and specifications at a cost not to exceed \$904,722.45. Said premise improvement costs shall be reimbursed to the landlord beginning within sixty (60) days of premise improvement completion subject to the approval of the Health Department Facilities Manager. Reimbursement will be made via monthly payments in accordance with the terms of the Lease Agreement as outlined in the Premise Improvement Cost monthly pay schedule.

The Lease Agreement provides for two (2), five (5) year extension options under the same terms and conditions. A "Termination by County" clause and the County's standard insurance and indemnity provisions are incorporated in the Lease Agreement.

The identified facility continues to provide MCSTART operations with needed general office, and the monthly rent is considered cost effective when compared to relocating to a similar facility in the East Alisal Community of Salinas.

This work supports the County of Monterey's Health Department's 2018-2024 Strategic Plan Goals: 1. Empower the community to improve health. 2. Enhance community health and safety through prevention. 3. Ensure access to culturally and linguistically appropriate, customer-friendly, quality services. It also supports the following of the ten essential public health services, specifically: 3. Inform, educate, and empower people about health issues. 7. Link people to needed personal health services and ensure the provision of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:

The Department of Public Works, Facilities, and Parks advised the Health Department on its development of the Lease Agreement and Board Report. The Office of the County Counsel has reviewed and approved the Lease Agreement as to form. The County Risk Manager has approved the Lease Agreement as to insurance and indemnification provisions. The Auditor-Controller's Office has reviewed and approved as to fiscal provisions.

FINANCING:

There is no financial impact on the General Fund resulting from the approval of this Lease Agreement. There are sufficient appropriations in the Health Department, Behavioral Health Bureau's (023-4000-HEA012-8410) FY 2024-25 Adopted Budget to accommodate current fiscal year costs; the costs for the next fiscal year will be incorporated in the Bureau's Requested Budgets. The initial rent payment will be \$5,106.67, comprised of approximately 3,998 square feet of office space (\$1.28 per square foot) per month. At the end of each year during the initial lease term or any extended term, the monthly rent shall be increased based off any increase in the Cost-of-Living Index, calculated on the basis of the Department of Labor Consumer Price Indexes, all urban consumers for the San Francisco-Oakland-San Jose area, not

to exceed 5% with a minimum increase not less than 2%.

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

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Reviewed by: George K. Salcido, PWFP-Real Property Specialist, 755-4859

Approved by: Elsa Mendoza Jimenez, Director of Health Services, 755-4526

Attachments:

Board Report

Lease Agreement

Location Map