



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 26-041

March 10, 2026

Introduced: 1/28/2026

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Contracts & Purchasing Officer or designee to execute a retroactive Amendment No. 3 to Lease Agreement No. A-12809, effective November 13, 2025 with King City Town Square, LLC. (Lessor), for approximately 8,713 rentable square feet of office space located at 200 Broadway, Suites 70 and 88, King City, California, for use by the Health Department's Behavioral Health Bureau (Health);
- b. Authorize the Auditor-Controller to make lease payments of \$10,174 per month in accordance with the terms of the Lease Agreement; and
- c. Authorize the extension of the Lease Agreement for one (1) additional three (3) year term under the same terms and conditions, including the new provisions to Exhibit D and Exhibit E as set form in this Amendment No. 3, and make minor revisions to the Lease Agreement if deemed by the Contracts/Purchasing Officer to be in the best interest of the County.

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 retroactive Amendment No. 3 to Lease Agreement No. A-12809, effective November 13, 2025 with King City Town Square, LLC. (Lessor), for approximately 8,713 rentable square feet of office space located at 200 Broadway, Suites 70 and 88, King City, California, for use by the Health Department's Behavioral Health Bureau (Health);
- b. Authorize the Auditor-Controller to make lease payments of \$10,174 per month in accordance with the terms of the Lease Agreement; and
- c. Authorize the extension of the Lease Agreement for one (1) additional three (3) year term under the same terms and conditions, including the new provisions to Exhibit D and Exhibit E as set form in this Amendment No. 3, and make minor revisions to the Lease Agreement if deemed by the Contracts/Purchasing Officer to be in the best interest of the County.

SUMMARY:

The Health Department's Behavioral Health Bureau (Bureau) requests approval of Amendment No. 3 to the Lease Agreement with King City Town Square, LLC, effective November 13, 2025. This amendment will allow the Bureau to continue occupying and operating at 200 Broadway, Suites 70 and 88, in King City, ensuring the continued availability of critical service space for behavioral health programs in South County. The amendment also establishes reasonable rental adjustments that are consistent with comparable County leases.

DISCUSSION:

Since July 1, 2007, the Bureau has leased 3,737 square feet of general office space at 200 Broadway, Suite 88, King City, California, under a Lease Agreement with King City Town Square, LLC. In 2019, the Lease Agreement was amended to include an additional 4,976 square feet of office space at 200 Broadway, Suite 70, resulting in a combined total of 8,713 square feet across Suites 88 and 70. The additional space allowed the Bureau to expand its operations and better meet the behavioral health needs of the South County community.

Amendment No. 3 will commence on November 13, 2025, at a monthly rental rate of \$10,174, subject to annual rental adjustments of one percent (1.00%). The Landlord will complete Premise Improvements in accordance with approved plans and specifications. The cost of these improvements-including architectural, engineering, permitting, fees, and inspections-is included in the monthly lease payment.

The Lease Agreement includes one (1) additional three-year renewal option under the same terms and conditions. Approval of this amendment will ensure the Bureau's continued occupancy and maintain adequate office and service-provision space to support the delivery of behavioral health services in South County. The rental rate is comparable to the Bureau's other leased facility located at 335-339 Gabilan Street in Soledad.

OTHER AGENCY INVOLVEMENT:

The Department of Public Works, Facilities, and Parks (PWFP) assisted with the development of this report and proposed Lease Agreement. The Office of the County Counsel and the Auditor-Controller's Office have reviewed and approved the proposed Lease Agreement as to form and fiscal provisions, respectively.

FINANCING:

This Amendment is funded with a combination of 2011 Realignment and Federal Financial Participation. There are enough appropriations in the Health Department's Behavioral Health Bureau's (HEA012, Unit 8410) Fiscal Year 2025-26 Adopted Budget. Funds for FY 2026-27 and FY 2027-28 will be included in the Bureau's (HEA012, Unit 8410) Requested Budget.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

This amendment aligns with the Board of Supervisors' strategic priorities of Well-Being and Quality of Life and Sustainable Infrastructure for the Present and Future by securing a King City facility that supports the delivery of behavioral health services and enhances the quality of life for residents.

Mark a check next to the related Board of Supervisors Strategic Plan Goals:

- Well-Being and Quality of Life
- Sustainable Infrastructure for the Present and Future
- Safe and Resilient Communities
- Diverse and Thriving Economy

Prepared by:

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Reviewed by: Alfredo Belman, Project Manager I, 755-4830

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

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

Attachments:

Board Report

Amendment No. 3

Amendment No. 2

Amendment No. 1

Board Order

Original Lease Agreement