



## COUNTY OF SONOMA

575 ADMINISTRATION  
DRIVE, ROOM 102A  
SANTA ROSA, CA 95403

### SUMMARY REPORT

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**Agenda Date:** 5/21/2024

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**To:** Sonoma County Board of Supervisors

**Department or Agency Name(s):** Public Infrastructure, Health Services

**Staff Name and Phone Number:** Johannes J. Hoevertsz, Public Infrastructure: 707-565-2550; Tina Rivera, Health Services: 707-565-4774

**Vote Requirement:** Majority

**Supervisory District(s):** Countywide

**Title:**

Fourth Amendment to Lease for Department of Health Services at 1450 Guerneville Road, Santa Rosa

**Recommended Action:**

Authorize the Director of Sonoma County Public Infrastructure to execute the proposed Fourth Amendment to the Lease between Coddling Enterprises LP, as Landlord, and the County of Sonoma, as Tenant, for office space at 1450 Guerneville Road, Suite 1, Santa Rosa, that will extend the lease term five (5) additional years, at an initial rent of \$13,655.48 per month, (\$1.70/sf/month), net of utility costs.

**Executive Summary:**

The Director of Sonoma County Public Infrastructure, in consultation with the Sonoma County Department of Health Services (DHS), requests Board authorization of the proposed amendment to the County lease at 1450 Guerneville Road, Suite 1, Santa Rosa, consisting of 8,035 rentable square feet and occupied by the Department of Health Services' Woman, Infants & Children (WIC) Program. The proposed Amendment will allow the Department to extend its lease term five (5) additional years, at an initial rent of \$13,655.48 per month, (\$1.70/sf/month), which represents a 3% increase from the existing rent, allowing DHS WIC both uninterrupted occupancy and continuation of their services to the public, and avoidance of relocation costs. The Real Estate team has conducted a thorough review of the leasing costs and determined that the lease terms are consistent with current market rates.

**Discussion:**

The premises is occupied by the Woman, Infants & Children (WIC) Program within DHS, a nutrition program that serves pregnant women, women who have recently been pregnant, infants, and children up to their fifth birthday. This supplemental nutrition program is funded by the United States Department of Agriculture (USDA), an agency that also provides funding for other County programs such as CalFresh. This program location is one of four local Department WIC programs in operation in Sonoma County.

The term of the existing lease is set to expire November 30, 2024. DHS, supported by Sonoma County Public Infrastructure, initiated lease extension discussions with the premises' Landlord in January, 2024 after the State of California declined DHS WIC's planned relocation to 463 Aviation Boulevard due to 463 Aviation's close proximity with another WIC program based in Windsor. Negotiations between the County and Landlord continued through February, when a Fourth Lease Amendment was agreed to by the Landlord. The advantage

of the lease extension is avoidance of relocation costs and potential disruption of DHS WIC's services during the relocation.

**Lease Amendment.** The proposed Lease Amendment between Coddling Enterprises LP, as Landlord, and the County of Sonoma, as Tenant, contains the following key provisions:

1. Five (5) year lease extension, for a new lease expiration date of November 30, 2029;
2. Monthly rent of \$13,655.48, (\$1.70/sf/month), commencing December 1, 2024, representing a 3% rent increase from the previous year's rent;
3. 3% annual rent increases in Years 2-5;
4. Landlord to deep-clean carpets and other flooring prior to lease extension term;
5. All other terms of the existing lease remain unchanged, including the County's responsibility for paying for its own utility use and the County's right to terminate the Lease for any or no reason with 90 days written notice.

Procedural Authority: Government Code Section 25350 requires two (2) Board actions, which includes publication of a notice of intent, for the County to lease real property as tenant, and where the lease is valued at more than \$50,000. The notice of intent for the proposed amendment was published for the required period pursuant to the Board's action on April 30, 2024, and in accordance with the Government Code.

**Strategic Plan:**

N/A

**Racial Equity:**

**Was this item identified as an opportunity to apply the Racial Equity Toolkit?**

No

**Prior Board Actions:**

04/30/24 – Declare intent to enter into Fourth Amendment to Lease  
01/10/23 – Authorize General Services Director to execute Third Amendment to Lease  
12/06/22 – Declare intent to enter into Third Amendment to Lease  
01/04/22 – Authorize General Services Director to execute Second Amendment to Lease  
12/07/21 – Declare intent to enter into Second Amendment to Lease  
01/05/21 – Authorize General Services Director to execute First Amendment to Lease  
12/08/20 – Declare intent to enter into First Amendment to Lease  
01/04/11 – Authorize General Services Director to execute Lease  
12/07/10 – Declare intent to enter into Lease

**FISCAL SUMMARY**

	<b>FY 23-24 Adopted</b>	<b>FY 24-25 Projected</b>	<b>FY 25-26 Projected</b>
<b>Expenditures</b>			
Budgeted Expenses		\$161,877.11	\$166,733.45

Additional Appropriation Requested			
<b>Total Expenditures</b>		<b>\$161,877.11</b>	<b>\$166,733.45</b>
<b>Funding Sources</b>			
General Fund/WA GF			
State/Federal		\$161,877.11	\$166,733.45
Fees/Other			
Use of Fund Balance			
Contingencies			
<b>Total Sources</b>		<b>\$161,877.11</b>	<b>\$166,733.45</b>

**Narrative Explanation of Fiscal Impacts:**

Appropriations for this agreement are included in the FY2024-25 DHS Public Health Women Infants and Children Division (11605-22020104) Recommended Budget. Appropriations for future years will be included in annual DHS Recommend Budget requests.

**Narrative Explanation of Staffing Impacts (If Required):**

None

**Attachments:**

- 1 – Fourth Amendment to Lease between Codding Enterprises LP as Landlord and the County of Sonoma as Tenant
- 2 – Leasing Cost Estimate

**Related Items “On File” with the Clerk of the Board:**

1450 Guerneville Road, Suite 1 - Lease and First, Second, and Third Amendments to Lease