



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 6/6/2023

To: Sonoma County Board of Supervisors

Department or Agency Name(s): Public Infrastructure

Staff Name and Phone Number: Johannes J. Hoevertsz, SPI, 707-565-2550

Vote Requirement: Majority

Supervisory District(s): First

Title:

New lease for Sonoma Valley Neighborhood-based Services Site

Recommended Action:

Authorize Clerk of the Board to publish a notice, declaring the Board's intent to enter into a lease with Gary D. Nelson and Marcia L. Nelson, Trustees of the Gary D. Nelson and Marcia L. Nelson Family Trust (the Landlord), for office space at 19080 Lomita Avenue, 1st Floor, in Sonoma. The proposed lease would be for a term of 5 years, with one, 5-year option to extend the term; with rent payments of \$17,596.80 per month (\$2.40 per sq. ft.), subject to annual 3% increases.

Executive Summary:

This matter involves a proposed lease for the establishment of a neighborhood-based, satellite services 'hub' at 19080 Lomita Avenue in Sonoma. County will partner with the City of Sonoma and local, community non-profit organizations to provide County, City and agency services and to host meetings at this proposed location.

As currently planned, the County departments of Health Services, Human Services, Child Support Services, and District 1 will be housed at this location. These premises will also be utilized to serve as a housing navigation services center, in partnership with the Sonoma County Community Development Commission and the City of Sonoma. In addition, the County Registrar of Voters may utilize the Premises as a vote center for Sonoma Valley residents during elections; and the Office of Equity will utilize the Premises as a resource, that does not currently exist in the area, to facilitate the OOE's community engagement work.

Discussion:

This item seeks Board approval to publish a notice declaring the Board's intention to execute a lease between Gary D. Nelson and Marcia L. Nelson, Trustees of the Gary D. Nelson and Marcia L. Nelson Family Trust (the Landlord) and the County, for 7,332 sq. ft. of office space at 19080 Lomita Avenue in Sonoma. The Premises will provide office space for County departments, to create a neighborhood-based satellite services 'hub' in Sonoma Valley, in partnership with the City of Sonoma, local non-profits, and other organizations in Sonoma Valley.

'Neighborhood Services' is the concept of improving service delivery by establishing regional offices to deliver a wide array of services within multiple communities. Establishment of this services 'hub' in Sonoma Valley

will also support the County's strategic plan to establish resilient neighborhood/regional and satellite service centers in West County, Cloverdale, and Sonoma Valley, to improve equitable public access to services. The County departments of Health Services, Human Services, and Child Support Services will provide in-person staffing resources to deliver program services to clients in Sonoma Valley. The County Registrar of Voters may also utilize this location to provide a convenient vote center for Sonoma residents during election cycles. This site will also be utilized by the Office of Equity and other County departments to host potential engagement events and meetings for the communities of Sonoma Valley.

Health Services. The Department of Health Services (DHS) Women Infant Children's Program (WIC) currently provides services at four locations: in Sonoma (utilizing office space within the Sonoma Valley Health Center), Santa Rosa, Petaluma, Guerneville. WIC serves over 300 participants in the Sonoma Valley area. WIC currently delivers services from the Sonoma Valley Community Health Center at 19270 Sonoma Highway in Sonoma, where space is subleased. However, SVCHC has need for the sublet space. The proposed new location would provide WIC with its own office, collocated with other County programs. WIC provides healthy foods, health care referrals, nutrition education and counseling, and breastfeeding promotion and support to low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to the age of five. WIC loans electric breast pumps to participants and has a hospital pump exchange program with local hospitals. Lactation services are also provided by an International Board-certified lactation consultant within the Breastfeeding Peer Counseling Program. WIC provides Farmer's Market Vouchers during summer months.

DHS will also be providing Specialty Mental Health Services including individual case management, individual therapy, medication support services, and possibly weekly group mental health services to County clients from Sonoma Valley at this site.

Human Services. Human Services Economic Assistance does not currently have a physical presence in Sonoma Valley. Approval of the proposed lease for 19080 Lomita Avenue in Sonoma will provide convenient, easier access to County services for current and prospective HSD clients in Sonoma Valley. In District 1, there are currently approximately 4,600 individuals on CalFresh, and approximately 20,000 individuals on Medi-Cal. HSD services provided to the community at the Sonoma satellite site will include eligibility assessment and ongoing services assistance for CalFresh and MediCal programs. HSD will have a bilingual eligibility specialist located at the site to facilitate access to CalFresh and Medi-Cal benefits. CalFresh, known federally as the Supplemental Nutrition Assistance Program (or SNAP) provides monthly food benefits to individuals and families with low-income and provides economic benefits to communities. Medi-Cal is a public health insurance program, which provides needed health care services for low-income families, seniors, persons with disabilities, children in foster care, pregnant women, and certain low-income adults.

Department of Child Support Services. In addition to its main office facility in north Santa Rosa at 3725 Westwind Avenue, the Department of Child Support Services (DCSS) currently provides services at two satellite locations: Petaluma, South County Center, and Santa Rosa, Human Services Employment and Training Building. DCSS provides Intake interviews, CalWORKs referral support and case opening, establishment, collections, and enforcement of child support cases. Child Support serves 17,300 customers receiving or paying support within a caseload size of 9,700. District 1 has approximately 1,600 existing customers and 600 customers in Sonoma Valley. DCSS does not currently have an office(s) in the Sonoma Valley. At the new Sonoma Valley facility, DCSS will provide drop-in or scheduled appointments to answer case questions, release

suspended driver's licenses, accept payments, conduct service of process for legal documents, provide assistance with completing forms, and conduct intake interviews for customers applying for CalWORKs.

Proposed Lease. The terms for the proposed Lease are as follows:

Premises: 7,332 rentable sq. ft. at 19080 Lomita Avenue, Sonoma. (Please see attached Site Plan.)

Term: Five (5) years, with one, 5-year option.

Rent: \$17,596.80 per month (\$2.40 psf), subject to 3% annual increases. The \$2.40 psf rent rate is at market rate, which is between \$2.00 per sq. ft. to \$3.00 per sq. ft. for available office lease space in Sonoma.

Tenant

Improvements:

Minor tenant improvements include installing 3 doors, installing breakroom sinks and cabinetry, cleaning carpet throughout, and minor paint, as needed. The lease provides a tenant improvement allowance of up to \$95,316 (\$13 per sq. ft.). It is anticipated that the costs for these improvements are within the \$95,316 allowance. Landlord to perform these tenant improvements at Landlord's sole cost and expense.

Termination:

County may terminate the lease if funding for the Premises or program is reduced or withdrawn, or for any reason, with eight months' prior written notice, to the Landlord and subject to payment of the Lease Termination Fee as stated in the Lease.

Right of First Refusal

To Purchase: If the Landlord receives or solicits a bona fide offer from a third party to purchase the property on terms acceptable to Landlord, or if the property is offered for sale by foreclosure or any other forced sale, the County will have a right of first refusal to purchase the property, subject to certain criteria.

Funding: The one-time move costs associated with the new Lease include ISD/IT work, office equipment and furnishings, and move management to provide Wi-Fi connectivity and furnish the new Premises for occupancy, for a total of \$104,000. Lease rent for the months of August 2023 through June 2024 is approx. \$193,565, and per the Lease, janitorial services will be provided by County, at a cost of approx. \$12,098 during FY23-24. The initial year costs, including move-in, total \$309,663. The following FY24-25 occupancy costs are projected at \$230,562. The one-third allocation for District 1 of the annual \$1 million County Center set-aside for regional/satellite offices is sufficient to pay the initial year and subsequent year occupancy expenses for the new Premises. Staff is working with the planned County department tenants to determine what contributions the departments might provide to assist with the monthly occupancy expenses for the new Premises, and will report on these findings for the next Board date (July 11, 2023).

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. If your Board takes the requested actions, this matter will return to the Board on or after July 11, 2023, for consideration and consummation of the proposed new Lease in accordance with the Government Code.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Resilient Infrastructure

Goal: Goal 1: Invest in County buildings and technology to enhance service delivery and improve employee mobility

Objective: Objective 4: Establish resilient neighborhood/regional and satellite service centers with access to transportation systems in West County, Cloverdale, and Sonoma Valley, as expressed in the Real Estate Master Plan, by 2023 in order to improve equitable public access to services.

Racial Equity:

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

No

Prior Board Actions:

None.

FISCAL SUMMARY

Expenditures	FY 22-23 Adopted	FY23-24 Projected	FY 24-25 Projected
Budgeted Expenses	0	\$309,663	\$230,562
Additional Appropriation Requested			
Total Expenditures	0	\$309,663	\$230,562
Funding Sources	0		
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance		\$309,663	\$230,562
Contingencies			
Total Sources	0	\$309,663	\$230,562

Narrative Explanation of Fiscal Impacts:

If your Board approves execution of the proposed lease, the anticipated move-in would occur in August 2023. The total expenditures for FY23-24 include: 11 months of rent (August 2023-June 2024), or \$193,565; 11 months of janitorial services (\$12,098); and one-time move costs of approx. \$104,000; for a total of \$309,663. The one-time move and rent expenses incurred during FY23-24 will be paid from the annual \$1 million County Center set-aside for regional/satellite offices in the Capital Projects Deferred Maintenance Fund. The total expenditures for FY24-25 consist of monthly rent of \$216,969, plus janitorial services of \$13,594, for a total of \$230,562. FY24-25 expenses will also be paid with from the annual County Center set-aside for regional/satellite offices Appropriations for FY 2023-24 will be requested during First Quarter Consolidated Budget Adjustments, and future years funding will be requested through the annual budget process.

Narrative Explanation of Staffing Impacts (If Required):

None.

Attachments:

- 1 – Notice of Intent
- 2 – Site Plan
- 3 – Copy of proposed lease

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

None.