



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 5/14/2024

To: Sonoma County Board of Supervisors

Department or Agency Name(s): Public Infrastructure, Department of Child Support Services

Staff Name and Phone Number: Johannes J. Hoevertsz-SPI, 707-565-2550; Janeene de Martinez-DCSS, 707-565-4023

Vote Requirement: Majority

Supervisory District(s): Countywide

Title:

Third Amendment to Lease for Department of Child Support Services at 3725 Westwind Blvd, Suite 200, Santa Rosa

Recommended Action:

Authorize the Board Clerk to publish notice declaring the intent of the Board of Supervisors to execute a Lease Amendment with 3725 Westwind SR LLC, as Landlord, for office space at 3725 Westwind Blvd, Suite 200, Santa Rosa, that will extend the existing lease term three (3) additional years, commencing June 1, 2024, at an initial monthly rent of Thirty Five Thousand One Hundred Ninety-six and 02/100 Dollars (\$35,196.02), with 3% annual rent increases thereafter.

Executive Summary:

The Director of Public Infrastructure, in consultation with the Department of Child Support Services, requests Board consideration of an Amendment to a Lease at 3725 Westwind Blvd, Suite 200, consisting of 17,866 square feet of office space at 3725 Westwind Blvd, Suite 200, Santa Rosa, occupied by the Department of Child Support Services, that will extend the existing lease term three (3) additional years, at an initial monthly rent of Thirty Five Thousand One Hundred Ninety-six and 02/100 Dollars (\$35,196.02), (\$1.97/sf/month). Board approval of the Lease will enable the Department of Child Support Services to avoid relocation costs and maintain its ability to effectively run its operations and serve the public at its current location.

Discussion:

The premises has been occupied by the Department of Child Support Services ("DCSS") since 2010. The existing lease term is set to expire May 30, 2024. DCSS, supported by the Sonoma County Public Infrastructure Department, initiated lease extension discussions with the Landlord in December 2023, hoping to avoid the expense and disruption of services resulting from relocation. Negotiations between the County and Landlord continued through March, when a Third Lease Amendment was agreed to by the Landlord. The Real Estate team has conducted a thorough review of the leasing costs and determined that the lease terms are consistent with current market conditions.

Lease Amendment. The proposed Third Lease Amendment contains the following key provisions:

1. Three (3) year lease term extension, running from May 31, 2024, to May 31, 2027

2. Initial monthly rent of (\$35,196.02), (\$1.97/sf/month), representing a 3% rent increase from the previous years' rent
3. 3% annual rent increases thereafter
4. County has one Option to extend the lease 3 additional years from June 1, 2027, to May 31, 2030, with initial rent set at \$2.09 per square foot per month
5. County pays for its utilities in addition to rent
6. Prior to commencement of the 3-year extension term, the Landlord will at Landlord's expense deep clean the carpet and other flooring within the premises, and air balance the HVAC system. The Landlord will also replace second floor common area hallway carpet, with County to reimburse the Landlord for 28% of the total cost of the carpeting, with total County payment to Landlord, upon receipt of Landlord invoices for completed work, not to exceed \$4,700.
7. All other terms of the existing Lease remain unchanged, including County retaining its right to terminate the Lease for any or no reason with 180 days written notice

Project Costs and Construction Schedule. The Landlord will replace second floor common area hallway carpet, with County to reimburse the Landlord for 28% of the total cost of the carpeting, with total County payment to Landlord, upon receipt of Landlord invoices for completed work, not to exceed \$4,700.

Procedural Authority. Government Code Section 25350 requires publication of notice of the Board's intent to enter into a lease or lease amendment for three successive weeks prior to execution of the lease agreement where it is valued at more than \$50,000. If the Board approves the requested action, this matter will return to the Board on or after July 9, 2024, for consideration and consummation of the lease extension.

Strategic Plan:

N/A

Racial Equity:

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

No

Prior Board Actions:

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

12/14/10 – Authorize General Services Director to execute Lease.

11/09/10 – Declare intent to enter into Lease.

FISCAL SUMMARY

	FY 23-24 Adopted	FY 24-25 Projected	FY 25-26 Projected
Expenditures			
Budgeted Expenses	\$35,196.02	\$423,424.20	\$436,287.72
Additional Appropriation Requested			
Total Expenditures	\$35,196.02	\$423,424.20	\$436,287.72
Funding Sources			
General Fund/WA GF			

State/Federal	\$35,196.02	\$423,424.20	\$436,287.72
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	\$35,196.02	\$423,424.20	\$436,287.72

Narrative Explanation of Fiscal Impacts:

Appropriations for expenditures associated with this lease are included in the Department of Child Support Services FY23-24 Adopted Budget (11555-12010101). Appropriations for FY24-25 and beyond will be included in the annual Department Recommended budget. Child Support Services receives funding for its programs and services through both State and Federal funding sources.

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

- 1 – Third Amendment to Lease between 3725 Westwind SR LLC as Landlord and the County of Sonoma as Tenant
- 2 – Notice of Intent
- 3 – Rent Cost Estimate

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

3725 Westwind, Suite 200 Lease and First and Second Amendments to Lease