



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 6/3/2025

To: Board of Supervisors

Department or Agency Name(s): Sonoma County Public Infrastructure / Dept. of Agriculture-Weights & Measures / University of California Cooperative Extension

Staff Name and Phone Number: Johannes J. Hoevertsz-SPI, 565-2550 / Andrew Smith-AWM, 565-2371 / Stephanie Larson-UCCE, 565-3442

Vote Requirement: Majority

Supervisory District(s): Fourth

Title:

Lease extension for Agriculture/Weights & Measures and University of California Cooperative Extension, 133 Aviation Boulevard, Suites 109 and 110, Santa Rosa

Recommended Action:

Authorize the Director of Sonoma County Public Infrastructure to execute a lease amendment with Airport Business Center, for 21,397 sq. ft. of office/warehouse space leased by the Department of Agriculture/Weights & Measures and the University of California Cooperative Extension, located at 133 Aviation Boulevard, Suites 109 and 110, Santa Rosa, to: 1) exercise County's 5-year lease extension option through November 30, 2031; and to further extend the lease term for an additional five years through November 30, 2036; and 2) provide for tenant improvements, to be performed at Landlord's sole cost and expense. (Fourth District)

Executive Summary:

Staff propose amending the lease between Airport Business Center (Landlord), the County Agriculture/Weights & Measures Department (AWM), and the University of California Cooperative Extension (UCCE), for 21,397 sq. ft. of office/warehouse space at 133 Aviation Boulevard, in Santa Rosa (Premises). AWM and UCCE have occupied the Premises since October 2002, and the current Lease is set to expire on November 30, 2026. The proposed amendment would exercise the County's five-year option to extend the lease through November 30, 2031, and would provide an additional five-year term extension through November 30, 2036. The Landlord would perform necessary tenant improvements to the existing Premises to create four additional offices, perform modifications to the HVAC system, and replace outdated kitchen equipment. These improvements will be performed at Landlord's sole cost and expense. In addition, upon exercise of County's 5-year option, Landlord will repaint and recarpet the entire Premises, including furniture lift & storage, at Landlord's sole cost and expense.

Discussion:

The Lease. Since October 2002, AWM and UCCE have provided program services, from this leased location at 133 Aviation Boulevard in Santa Rosa, with the departments sharing 21,397 sq. ft. of office and warehouse space. The Premises are comprised as follows:

Department/Suite	<u>Rent/month</u>	<u>FTE's</u>	<u>% Premises</u>	<u>Office SF</u>	<u>Warehouse SF</u>	<u>Total SF</u>
AWM / Suite 110	\$31,447.10	40	64%	9,594	4,100	13,694
<u>UCCE / Suite 109</u>	<u>\$17,688.99</u>	<u>15</u>	<u>36%</u>	<u>5,603</u>	<u>2,100</u>	<u>7,703</u>
Totals	\$49,136.09	54	100%	15,197	6,200	21,397

The AWM workspaces include specialized equipment, which is certified per State regulations, and which would be difficult to move and recertify. In addition to the leased Premises, AWM and UCCE share warehouse and two nearby storage facilities (located in the Airport area, on Century Court and on Airport Boulevard). These facilities are County-owned and are critical to operations.

Proposed Amendment. The lease currently expires on November 30, 2026, and there is one remaining 5-year lease option to extend the term through November 30, 2031. Staff have negotiated terms for an amendment to the Lease, as follows:

Premises: No change in square footage. The proposed new offices would be constructed within the existing footprint. (Please see Attachment 1, floor plan.)

Term: Five-year option will be exercised to extend term through November 30, 2031, with an additional five-year extension through November 30, 2036.

Rent: Rent for the extended term will continue to be increased by 3% annually. The current rent is \$49,136.09 per month (\$2.30 per sq. ft.) and approximates fair market rent for available office/warehouse space, within a 3-mile radius of this location. The average lease rental rate for similar-sized buildings is \$2.18 per sq. ft. full-service.

Improvements: Tenant improvements include: 1) constructing four (4) offices/workspaces needed for AWM staffing, and 2) replacing outdated, non-functioning kitchen equipment. In addition, the Landlord would perform a 'refresh' of the entire Premises, which includes new paint and new flooring, at Landlord's sole cost and expense. The Landlord has requested County exercise its remaining 5-year lease option and to extend the term for an additional five years, in order to fully amortize the costs for these tenant improvements and the refresh.

Termination: The current lease provides that County may terminate the Lease with 90 days' notice for non-appropriation of funding for the rental payments, or the program or agency for which the Premises are leased, without penalty. County may also terminate the Lease for relocation to the future County Government Center, with 365 days' notice in advance of completion of the County Government Center).

Funding. Approximately 70% of the AWM's budget for FY2024-2025 is comprised of State and Federal revenue and licenses/fines/charges for services, and approximately 30% of the AWM's budget is based on

General Fund contribution. Lease rent is funded out of General Fund and revenues received for AWM services. UCCE overhead costs are covered through the County's General Fund.

Procedural Authority. Government Code Section 25350 requires the Board to publish a notice of its intention to enter into a lease agreement valued at more than \$50,000 for three (3) consecutive weeks before consummation of the proposed lease amendment. The notice of intent for this transaction has been published for the required period pursuant to the Board's action on April 22, 2025.

Strategic Plan:

N/A

Racial Equity:

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

No

Prior Board Actions:

04/22/25 – Declared intent to enter into the proposed Fifth Amendment

03/02/21—Authorized the General Services Director to execute Fourth Amendment

02/09/21—Declared intent to enter into Fourth Amendment: 1) to exercise County's option to extend the lease term; 2) abate rent; and 3) to provide for additional tenant improvements, to be performed at Landlord's sole cost and expense.

11/17/15—Authorized General Services Director to execute Third Amendment

11/27/07—Authorized the General Services Director, or his Deputy, to exercise lease option

10/08/02—Authorized the Board Chair to execute Lease, and authorized the General Services Director to modify certain documents and execute change orders for tenant improvements

07/21/98—Approved County Administration Center Space Strategy in concept (2-day workshop)

FISCAL SUMMARY

Expenditures	FY24-25 Adopted	FY25-26 Projected	FY26-27 Projected
Budgeted Expenses	\$582,477	\$599,952	\$617,950
Additional Appropriation Requested			
Total Expenditures	\$582,477	\$599,952	\$617,950
Funding Sources			
General Fund/WA GF	\$321,527	\$331,173	\$341,109
State/Federal	\$260,950	\$268,778	\$276,842
Fees/Other			

Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$582,477	\$599,952	\$617,950

Narrative Explanation of Fiscal Impacts:

Appropriations for lease payments are estimated at \$582,477 and are included in AWM and UCCE's FY24-25 Adopted Budget. Ongoing payments will be incorporated into future FY Department Recommended budgets. The monthly total rent for the Premises is split between the departments, according to their pro rata share of space: AWM pays 64%, and UCCE pays 36% of rent. AWM's rent is paid 70% through State and Federal revenues, and funds received for licenses, fines, and charges for services; and 30% through General Fund. AWM's funding derives from a varied number of sources including unclaimed gas tax, state contracts with the Department of Pesticide Regulations, programmatic contracts with California Department of Food and Agriculture, which also includes funding from the State Division of Measurement Standards for AWM services. UCCE's portion of the lease rent is paid 100% through the department's General Fund.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

None.

Attachments:

- 1 – Floor Plan
- 2 – Copy of Proposed Fifth Amendment to Lease

Related Items "On File" with the Clerk of the Board:

None.