



## COUNTY OF SONOMA

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

### SUMMARY REPORT

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**Agenda Date:** 4/30/2024

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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 Woman, Infants & Children (WIC) Program at 1450 Guerneville Road, Santa Rosa

**Recommended Action:**

Authorize the Board Clerk to publish notice declaring the intent of the Board of Supervisors to authorize execution of a Fourth Amendment to the Lease with Coddling Enterprises LP, as Landlord, and the County of Sonoma, as Tenant, for office space at 1450 Guerneville Road, Suite 1, Santa Rosa, extending the existing lease term five (5) years, with a rent of \$13,655.48 per month subject to three percent (3%) annual increase.

**Executive Summary:**

The Director of Sonoma County Public Infrastructure, in consultation with the Department of Health Services (DHS), requests Board consideration 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. Staff have determined that the proposed initial rent is consistent with current market rent, and 18% less than the rental rate that the County was paying for the premises in 2020. The WIC Program will not be part of the new County Center consolidation of spaces.

**Discussion:**

The premises is occupied by the Department of Health Services' Woman, Infants & Children (WIC) Program, 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 other three locations are the Petaluma Health Center, 1179 North McDowell Blvd, Petaluma; the East County Services Center, 19080 Lomita Ave, Sonoma; and the West County Services Center, 16390 Main Street, Guerneville.

The term of the existing lease at 1450 Guerneville Rd is set to expire November 30, 2024. The Department of Health Services, supported by the 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 for 463 Aviation Boulevard due to 463 Aviation's close proximity with another WIC program based in Windsor. The space at 463 Aviation Blvd intended for WIC will be filled by adjacent DHS programs in the building and the possible temporary relocation of DHS' Animal Services division to 463 Aviation Blvd from its location on Century Court while that division's premises is being reconfigured in a capital improvement project. 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 Codding 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. Staff have determined that the proposed negotiated rent is in line with current market rates and 18% lower (\$.37/sf/month lower) than the County's rental rate for the premises in 2020.
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. If your Board takes the requested action, this matter will return to the Board on or after May 21, 2024, for consideration and consummation of the proposed lease amendment 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:**

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>Expenditures</b>	<b>FY 23-24 Adopted</b>	<b>FY 24-25 Projected</b>	<b>FY 25-26 Projected</b>
Budgeted Expenses	\$159,093.00	\$161,877.11	\$166,733.45
Additional Appropriation Requested			
<b>Total Expenditures</b>	<b>\$159,093.00</b>	<b>\$161,877.11</b>	<b>\$166,733.45</b>
<b>Funding Sources</b>			
General Fund/WA GF			
State/Federal	\$159,093.00	\$161,877.11	\$166,733.45
Fees/Other			
Use of Fund Balance			
Contingencies			
<b>Total Sources</b>	<b>\$159,093.00</b>	<b>\$161,877.11</b>	<b>\$166,733.45</b>

**Narrative Explanation of Fiscal Impacts:**

The FY 23-24 Lease expenditures are included within the DHS current budget and future year rent expenditures will be included during the budget adoption process.

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

None

**Attachments:**

- 1 – Fourth Amendment to Lease between Coddling Enterprises LP as Landlord and the County of Sonoma as Tenant
- 2 – Notice of Intent to Lease
- 3 – 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