



Legislation Details (With Text)

File #: 2021-1401
Type: Consent Calendar Item **Status:** Passed
File created: 1/4/2022 **In control:** General Services
On agenda: 1/4/2022 **Final action:** 1/4/2022
Title: Second Lease Amendment for Department of Health Services at 1450 Guerneville Road, Santa Rosa
Sponsors: General Services, Health Services
Indexes:
Attachments: 1. Summary Report.pdf, 2. Att1-Amendment.pdf

Date	Ver.	Action By	Action	Result
1/4/2022	1	Board of Supervisors	Approved as recommended	Pass

To: Sonoma County Board of Supervisors
Department or Agency Name(s): General Services, Health Services
Staff Name and Phone Number: Caroline Judy, General Services, 707-565-8058;
Tina Rivera, Department of Health Services, 707-565-7901
Vote Requirement: Majority
Supervisorial District(s): All

Title:
Second Lease Amendment for Department of Health Services at 1450 Guerneville Road, Santa Rosa

Recommended Action:
Authorize the Director of General Services to execute a Second Lease Amendment with Coddling Enterprises LP, as Landlord, for 8,035 square feet of office space at 1450 Guerneville Road, Santa Rosa, for the Department of Health Services' Woman, Infants & Children (WIC) Program, extending the existing lease term one (1) additional year, to expire November 30, 2023, with a monthly rent of \$13,257.75 (\$1.65/sf/month).

Executive Summary:
The Director of General Services, in consultation with the Department of Health Services, requests Board consideration of an amendment to a lease at 1450 Guerneville Road, 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 one (1) additional year with no rent increase, and continue to run its Woman, Infants & Children (WIC) Program uninterrupted.

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 of Sonoma programs such as CalFresh. This program location is one of four local Department WIC programs in operation in Sonoma County. The other WIC programs are operated in Guerneville, Petaluma and Sonoma valley.

The existing lease is set to expire November 30, 2022. The Department of Health Services, supported by the Department of General Services, initiated lease extension discussions with the premises' Landlord in September 2021, hoping to avoid the expense and disruption of services resulting from relocation. Negotiations between the County and Landlord continued through October, when a Second Lease Amendment was agreed to by the landlord.

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

1. One (1) year lease extension, for a lease expiration date of November 30, 2023. The landlord was unwilling to provide a lease extension greater than one year, wanting to wait to see if the Community Development Commission (CDC) exercises its option to extend its lease in the adjacent premises at 1440 Guerneville Road before considering a further lease extension for WIC at 1450 Guerneville Road. The CDC has until September 3, 2022, to exercise its lease extension option. The landlord has indicated that, if the CDC chooses not to exercise its option to extend its lease term, the landlord will likely not extend WIC's lease term beyond 11/30/23. The proposed WIC lease extension provides WIC with 20 months to investigate alternative locations to 1450 Guerneville Road in the event that the landlord decides not to extend WIC's lease term.
2. Monthly rent of \$13,257.75 (\$1.65/sf), representing no rent increase from the previous two years' rent
3. All other terms of the existing Lease remain unchanged including right to terminate the Lease for any or no reason with 90 days written notice

Project Costs and Construction Schedule. None.

Procedural Authority. Government Code Section 25350 requires publication of notice of the Board's intent to enter into a lease or leased amendment for three successive weeks prior to execution of a lease agreement valued at more than \$50,000. Publication occurred pursuant to the Board's December 7, 2021, action authorizing the publication of a notice of intent to enter the proposed Second Lease Amendment.

Strategic Plan:
N/A

Prior Board Actions:

- 12/07/21 - Declare intent to enter into Second Lease Amendment
- 01/05/21 - Authorize General Services Director to execute Lease Amendment
- 12/08/20 - Declare intent to enter into Lease Amendment
- 01/04/11 - Authorize General Services Director to execute Lease
- 12/07/10 - Declare intent to enter into Lease

FISCAL SUMMARY

Expenditures	FY 21-22 Adopted	FY22-23 Projected	FY 23-24 Projected
Budgeted Expenses	\$159,093	\$159,093	\$66,288.75
Additional Appropriation Requested			
Total Expenditures	\$159,093	\$159,093	\$66,288.75

Funding Sources			
General Fund/WA GF			
State/Federal	\$159,093	\$159,093	\$66,288.75
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	\$159,093	\$159,093	\$66,288.75

Narrative Explanation of Fiscal Impacts:

The FY21-22 Lease expenditures are included within the DHS current budget and future year rent expenditures will be included during the budget adoption process.

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:

Second Lease Amendment between Coddling Enterprises LP as Landlord and the County of Sonoma as Tenant

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

1450 Guerneville Road Lease and First Amendment