



## Legislation Details (With Text)

**File #:** 13-1488      **Version:** 1

**Type:** Agenda Item      **Status:** Approved

**File created:** 11/21/2013      **In control:** Board of Supervisors

**On agenda:** 12/17/2013      **Final action:** 12/17/2013

**Title:** Health and Human Services Agency and Facilities Management Division, recommending the Board consider the following:

- 1) Authorize continuation of Lease Agreement 046-L9611 with Briw Office Investors for 29,819 square feet of office space located at 3057 Briw Road, Suite A on a month to month basis through either January 31, 2014, or February 28, 2014, subject to appropriate noticing to the City of Placerville; and
- 2) Contingent upon approval by County Counsel and Risk Management, and subject to appropriate noticing to the City of Placerville, authorize the Chair to sign Lease Agreement 335-L1411 with Briw Office Investors for 38,875 square feet of office space located at 3057 Briw Road, Suite A and B; for the term commencing either February 1, 2014, or March 1, 2014 and ending December 31, 2023, with a total maximum obligation of \$5,944,108.56 during the term of the lease, for office space to provide Federal and State-mandated client services; and to house Health and Human Services Agency Administration and Finance;
- 2) Authorize the Chair to terminate Lease Agreement 617-L0711 for 3057 Briw Road, Suite B, which expires March 31, 2014; and
- 3) Authorize the Chief Administrative Officer or designee to execute further documents relating to Lease Agreement 335-L1411, including amendments thereto and contingent upon approval by County Counsel and Risk Management, which do not affect the maximum dollar amount or term of the Lease.

**FUNDING:** State and Federal funds with County match met primarily from Realignment funds.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. A - Contract Routing Sheet 12-17-13, 2. B - 335-L1411 12-17-13, 3. Executed Agreement 335-L1411 BOS 12-17-13

Date	Ver.	Action By	Action	Result
12/17/2013	1	Board of Supervisors	Approved	Pass

Health and Human Services Agency and Facilities Management Division, recommending the Board consider the following:

- 1) Authorize continuation of Lease Agreement 046-L9611 with Briw Office Investors for 29,819 square feet of office space located at 3057 Briw Road, Suite A on a month to month basis through either January 31, 2014, or February 28, 2014, subject to appropriate noticing to the City of Placerville; and
- 2) Contingent upon approval by County Counsel and Risk Management, and subject to appropriate noticing to the City of Placerville, authorize the Chair to sign Lease Agreement 335-L1411 with Briw Office Investors for 38,875 square feet of office space located at 3057 Briw Road, Suite A and B; for the term commencing either February 1, 2014, or March 1, 2014 and ending December 31, 2023, with a total maximum obligation of \$5,944,108.56 during the term of the lease, for office space to provide Federal and State-mandated client services; and to house Health and Human Services Agency Administration and Finance;
- 2) Authorize the Chair to terminate Lease Agreement 617-L0711 for 3057 Briw Road, Suite B, which expires March 31, 2014; and

3) Authorize the Chief Administrative Officer or designee to execute further documents relating to Lease Agreement 335-L1411, including amendments thereto and contingent upon approval by County Counsel and Risk Management, which do not affect the maximum dollar amount or term of the Lease.

**FUNDING:** State and Federal funds with County match met primarily from Realignment funds.

<b>Month</b>	<b>.....Monthly Rent.....</b>
.....1-12.....	.....\$.....46,650.....
.....13-24.....	.....\$.....46,650.....
.....25-36.....	.....\$48,049.50.....
.....37-48.....	.....\$48,049.50.....
.....49-60.....	.....\$49,490.99.....

### **Fiscal Impact/Change to Net County Cost**

No change. The monthly lease obligation for January 1, 2014 through June 30, 2014 is included the Health and Human Services (“HHSA”) Fiscal Year (“FY”) 2013-14 budget. Ongoing lease costs will continue to be budgeted in future FY budgets. The monthly amount listed above for 2014 is the new rate per Agreement 335-L1411.

### **Background**

HHSA has leased 3057 Briw Road, Suite A since 1995 with Lease Agreement 046-L9611 expiring on December 31, 2013 (File 11-1278). Additionally, HHSA has leased 3057 Briw Road, Suite B since 1996 with Lease Agreement 617-L0711 expiring March 31, 2014 (File 09-0258).

Lease No. 335-L1411 consolidates the leases for Suites A and B into one Agreement for the term February 1, 2014 or March 1, 2014 through December 31, 2023, and includes two (2) consecutive three-year options to renew the lease for all or part of the premises upon six (6) months prior notice by County, and permits a three percent (3%) increase in cost per square foot once every twenty-four (24) months.

Combining 3057 Briw Road Suite A and Suite B into one Lease Agreement necessitates termination of the existing lease for Suite B. Termination of said lease shall be permitted via Section 20 of Amendment I to Lease Agreement 617-L0711, “Termination or Cancellation Without Cause.”

Before a new lease can be executed for this space, California Government Code requires that the County provide 60 days notice to the City of Placerville. Alternatively, the City Council may waive this requirement by resolution. They are expected to waive the requirement at their meeting on January 14, 2014, so that a new lease could take effect February 1, 2014. Should the waiver not be approved, the new lease will take effect on March 1, 2014.

HHSA requires office space to provide Federal and State-mandated services, including but not limited to CalWORKS, CalFresh, and Child Protective Services, to residents of the County of El Dorado. Approval of Lease Agreement 335-L1411 is vital to ensure that HHSA has sufficient office space to be able to continue to provide mandated services.

### **Reason for Recommendation**

Lease Agreement 335-L1411 will ensure HHSA will be able to provide client services through 2023 and requires the Lessor to make specific updates and improvements. The location continues to be ideal for HHSA clients as it centrally located and provides easy access to Highway 50 to clients and staff alike.

### **Action(s) to be taken following Board approval**

- 1) Facilities and Management Division to procure Lessors' signatures on two (2) originals of Lease Agreement 335-L1411.
- 2) Facilities and Management Division to submit two (2) originals of Lease Agreement 335-L1411 to the Board Clerk's Office for the Chair's signature.
- 3) Facilities and Management Division to distribute as appropriate.

### **Contact**

Don Ashton, HHSA Interim Director,  
Russell Fackrell, Facilities Manager, Chief Administrative Office

### **Concurrences**

County Counsel and Risk Management