

**SANTA BARBARA COUNTY
AGENDA BOARD LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Prepared on: **May 6, 2002**
Department: **General Services**
Department No.: **063**
Agenda Date: **May 28, 2002**
Placement: **Administrative**
Estimate Time:
Continued Item: **NO**
If Yes, date from:

TO: Board of Supervisors

FROM: Ronald S. Cortez, Director
General Services

STAFF
CONTACT: Mark A. Mittermiller, Assistant Director
Don Grady 568-3065

SUBJECT: 6th Amendment to the Lease for Veteran's Administration Clinic, Calle Real
Folio No. YI 1050
Second Supervisorial District

Recommendation(s):

That the Board of Supervisors execute the attached Supplemental Lease Agreement No. 6 between the United States of America, Department of Veterans Affairs (hereinafter "VA") and the County of Santa Barbara for the V.A.'s continued use of the medical facility located at 4440 Calle Real, extending the lease term through March 31, 2003, for an annual rental amount of \$597,898.80, and adding two one-year options to extend the term; the first for the period from April 1, 2003, through March 31, 2004, for an annual rental amount of \$622,811.25, and the second for the period from April 1, 2004, through March 31, 2005, for an annual rental amount of \$647,723.70.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No. 2. A Safe and Healthy Community in Which to Live, Work, and Visit and with Goal No. 5. A High Quality of Life for All Residents.

Executive Summary and Discussion:

In May of 1980 the Board executed a lease with the United States of America, Department of Veterans Affairs. That lease granted use of approximately 21,663 square feet of the medical facility located at 4440 Calle Real in Goleta to the VA. The VA has continuously occupied that space and operated a medical clinic

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Executive Summary and Discussion (Continued):

there since that time. The current annual rental rate is \$597,898.80, or \$27.60 per square foot. This Sixth Amendment extends the term for one additional term, and provides two one-year options to renew the Agreement, on the same terms and conditions as the existing term, subject to an annual increase of \$1.15 per square foot, for approximately 21,663 square feet of medical office space.

To address the significant increases in electrical costs, the VA and the County have negotiated an amendment to the Agreement whereby the clinic will be sub-metered for electrical usage and the VA will pay one-half of its metered usage. The County will invoice the VA for that usage and perform a reconciliation at the end of the year to ensure that the division of charges is equitable. The interior maintenance responsibilities for the clinic have also been transferred from the County to the VA as part of the negotiations.

Mandates and Service Levels:

No change in programs or service levels.

Fiscal and Facilities Impacts:

The monthly rent of \$49,824.90 will be deposited to Fund 0001; Budget Unit 063; Account 3409; and Program 1250. VA will pay one-half of electrical usage at the clinic, and assume responsibility for janitorial services.

Special Instructions:

After Board action, please instruct Chair to initial each page of the Amendment, and distribute as follows:

1. Original Document Facilities Services, Attn: Don Grady
2. Duplicate Original Facilities Services, Attn: Don Grady
3. Certified Copy of Document Clerk of the Board Files
4. Minute Order Facilities Services, Attn: Don Grady

NOTE: Facilities Services will forward both originals to the Federal Government for execution. Upon final execution, one original will be returned for the County’s files. Facilities Services will deliver that original to the Clerk of the Board with a copy to our files.

Concurrence:

Auditor-Controller
County Counsel
Risk Management