Agenda Number:



BOARD OF SUPERVISORS AGENDA LETTER

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

Department Name: Department No.: For Agenda Of: Placement:	General Services 063 April 9, 2019 Administrative
Estimated Tme: Continued Item: If Yes, date from:	No
Vote Required:	Majority

TO: Board of Supervisors

FROM: General Services Janette D Pell, Director (805) 560-1011

Contact Info: Skip Grey, Assistant Director, General Services (805) 568-3083

SUBJECT: Sheriff Storage Lease

County Counsel Concurrence

As to form Yes

<u>Auditor-Controller Concurrence</u> As to form Yes

Other Concurrence: Risk Manager, Sheriff As to form Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair to execute the attached original and duplicate original Lease Agreement (Lease) for the County's leasing of 18,685 square feet of office and warehouse space, for a period of five years, with three (3) options to extend the Lease for an additional two (2) years each, with monthly rent of \$17,377.05, and said rent increasing two percent (2%) annually, for use by the County's Sheriff Department; and
- b) Find that the recommended action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines section 15301 as the action consists of the leasing of existing public structures and/or facilities that involves negligible or no expansion of existing or former uses and none of the exceptions at CEQA guidelines section 15300.2 regarding cumulative impacts, significant effects, scenic highways, hazardous waste sites or historical resources apply and direct staff to file and post a Notice of Exemption on that basis.
- c) Waive the Notice of Exemption 6-day posting requirement for good cause pursuant to CEQA Guidelines Section V.D.2

Summary Text:

The Board's action to approve the Lease will allow the County Sheriff's Cannabis Enforcement Team to utilize a new 18,685 square foot north county office space that will also accommodate the department's storage needs. The term of the Agreement will be for a period of five (5) years at a monthly rate of

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\$17,377.05, or \$0.93 per square foot per month for 18,685 square feet with three (3) options to extend the Lease for an additional two (2) years each with all years subject to a fixed 2% increase in monthly rent. Lessor shall provide a \$10,000 allowance for county-requested improvements to the Premises and shall waive the initial two months of rent. Annual reimbursements in the amount of \$2,500 will be paid to Lessor for parking lot maintenance with said lot maintenance occurring approximately every fourth year. Due to heightened security concerns, the exact location of the site is not publicly available.

Background:

The purpose of the Sheriff's Cannabis Enforcement Team is to ensure the compliance and enforcement of commercial cannabis laws, regulations and licensing throughout the entire county, as well as to prevent the illegal diversion of cannabis products and associated revenue.

As a result of the team's robust enforcement of illegal commercial cannabis operators, the team has experienced obstacles and needs that have never before been seen in the narcotics bureau. These needs have been triggered by the routinely voluminous amounts of evidence collected from illegal cannabis operators that the Sheriff stores and maintains.

Utilization of the proposed facility would allow the County to meet both its legally mandated seizure activities as well as mitigate its civil liability through proper storage and maintenance of seized items. The lack of storage space also impacts county-wide operations. Over time, these items can be disposed of during adjudication of cases, but the team needs the ability to access storage space and hold surge capacity as needed.

The proposed lease is for a commercial building consisting of joint office and warehouse space totaling 18,685 square feet, which will meet the team's staffing and operational needs as well as storage needs for current and future county-wide seizures of evidence and property. The rent will begin at Seventeen Thousand Three Hundred Seventy Seven Dollars and Five Cents (\$17,377.05) per month with County receiving the initial two months of the lease free of rent, allowing enough time for County's configuration of the Premises. A \$10,000 allowance will be provided to County from Lessor to improve the Premises. Rent shall increase by 2% each year and in any extensions thereafter. The term of the lease will be approximately five (5) years, with three (3) options to extend the term for an additional two (2) years each.

On March 26, 2019, the Debt Advisory Committee reviewed and approved the proposed leasing cost, funding source, and additional expenses associated with occupying and configuring the premises.

Execution of the above referenced lease will involve negligible expansion of use, and is not likely to have a significant environmental impact. Therefore, this project is exempt from environmental review in accordance with the California Environmental Quality Act (CEQA) Guidelines, Section 15301 – Class 1, which consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alterations of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. None of the exceptions per CEQA guidelines section 15300.2 apply regarding cumulative impacts, significant effects, scenic highways, hazardous waste sites or historical resources.

Fiscal and Facilities Impacts:

The Lessor will provide maintenance and repair for the property and premises, including the parking areas. The County, through the Sheriff's Department, will pay monthly rent in the amount of \$17,377.05, and will pay for janitorial, water, gas, electricity, trash services, and data connectivity serving the premises in addition to annual reserves of \$2,500 for resurfacing of the parking lot, which is to occur approximately every four (4) years. Rent, utilities, and parking lot resurfacing reserves will be paid by Fund 0001, Dept.

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032, Program 0421, Org Unit 6044, Area 5018. Execution of this Lease will not cause any facilities impacts on the County.

Special Instructions: After Board action, please distribute as follows:

1.	Original non-redacted Lease	General Services, Real Property
2.	1 Original redacted lease 1 Original redacted lease	Clerk of the Board Files General Services, Real Property
3.	Copy of redacted Lease and Minute Order	Auditor-Controller, Attn: Betsy Schaffer

Attachments:

- 1. Original and Duplicate Original redacted Lease
- 2. Notice of Exemption