



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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

Department Name: Alcohol, Drug and
Mental Health Services
and General Services
Department No.: 043/063
For Agenda Of: June 17, 2014
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: ADMHS: Takashi Wada, MD, MPH, Interim Director, Alcohol, Drug and
Mental Health Services, (805) 681-5105
General Services: Matthew P. Pontes, Director (805) 560-1011

Contact Info: Ernest Thomas, Facilities Manager, ADMHS (805) 681-5206
Greg Chanis, Assistant Director, General Services (805) 568-3096

SUBJECT: Alcohol, Drug and Mental Health Services Children's Program at 401 East Ocean
Avenue, in Lompoc, Fourth District (R/P Folio:003692)

County Counsel Concurrence

As to form Yes

Auditor-Controller Concurrence

As to form Yes

Other Concurrence: Risk Manager, Treasurer Tax

Collector

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) between the County of Santa Barbara (County) and Frank and Alida Freda (Landlord), husband and wife, for the County's leasing of the property and approximately 4,993 square foot building located at 401 East Ocean Avenue, in Lompoc, for an initial term of five (5) years, with two 5-year options to extend the term, which can be exercised by the Director of General Services, beginning at a monthly base rent of FIVE THOUSAND DOLLARS (\$5,000) and monthly amortized tenant improvements of FIVE HUNDRED SEVENTY FIVE DOLLARS (\$575) per month for the initial term, for use by the County's Alcohol, Drug and Mental Health Services Children's Program (Fourth District); and
- b) Determine that the proposed actions above are exempt from the California Environmental Quality Act (CEQA), pursuant to 14 CCR 15301, Existing Facilities, and approve and direct staff to file and post the attached Notice of Exemption on that basis.

Summary Text:

The Board's action to approve the Lease Agreement will allow Alcohol, Drug and Mental Health Services (ADMHS) to use the approximately 4,993 square foot office building located at 401 East Ocean Avenue, in Lompoc (Premises) as office space and clinic space for the Children's Program, for a period of five years. The expected commencement date is July 1, 2014, or upon the Landlord's completion of the alterations to the Premises, with two five-year options to extend the term. Monthly rent for the first year period will be \$5,000 based on approximately \$1.00 per square foot, plus utilities. Rent will be subject to an increase of 3% each subsequent year of the term. In addition to rent, County will pay \$575 per month for the initial five year term of the Lease for amortized tenant improvements.

Background:

The Alcohol, Drug and Mental Health Services Children's Program provides mental health services to children, young adults and their families in the Santa Maria, Lompoc and Santa Barbara communities. In Lompoc, the Children's Program has been sharing space with the Adult Program located at 117 B Street. Both the Children and Adult Programs are expanding services and staff, and need additional space to accommodate expansion. There is 100% Federal and State funding for both one-time and on-going costs related to this space expansion. ADMHS received approval from the Debt Advisory Committee on May 29, 2014 to move forward with this lease and is now seeking Board of Supervisor approval for leased space on Ocean Avenue in Lompoc.

The Lease will be for an initial term of five years, with two 5-year options to extend the term. The Lease will commence upon the Landlord's completion, and the department's acceptance of the agreed upon tenant improvements, and the issuance of a Certificate of Occupancy for the Premises by the City of Lompoc. The base rent for the 4,993 square foot Premises, together with the surrounding grounds and parking lot, is \$5,000 monthly, based on approximately \$1.00 per square foot. The monthly base rent for each additional year will be subject to a 3% increase. In addition, County will pay \$575 per month during the initial five year term for amortized tenant improvements. The County will pay for all utilities serving the building, including water, sewer, trash and recycle services, electricity, gas, and data and telephone services.

Throughout the term, the landlord will repair and maintain the exterior and structural portions of the building, the surrounding grounds, and the parking lot. The County will maintain the interior of the building, and pay all utilities serving the building.

Execution of the 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.

Fiscal and Facilities Impacts:

Facilities Impact:

Approval of the proposed Lease Agreement will provide sufficient space for the Lompoc Children's Staff.

The landlord will provide maintenance and repair for the exterior and structural portions of the building, the surrounding grounds, and the parking lot. The County, through Alcohol, Drug and Mental Health Services will maintain the interior of the building and pay all utilities serving the building. ADMHS will pay an estimated \$5,000 and \$575 in monthly base rent and amortized tenant improvements respectively.

Fiscal Analysis:

<u>Funding</u>	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>FY 16-17</u>
<u>Sources</u>	<u>Cost:</u>	<u>Cost:</u>	<u>Cost:</u>
General Fund	-	-	-
State	\$ 143,450	\$ 44,350	\$ 45,277
Federal	\$ 143,450	\$ 44,350	\$ 45,277
Total	\$ 286,900	\$ 88,700	\$ 90,554

Narrative:

In FY 14-15, the total cost of \$286,900 includes one-time costs of \$100,000 for furniture, fixtures, equipment and data installation necessary to occupy the new building; \$86,900 includes the base rent of \$60,000, amortized tenant improvements of \$6,900, and utilities and maintenance costs of \$20,000 for the new space; and \$100,000 of one-time costs to reconfigure work areas in existing sites to accommodate the expansion and adjacency needs of program staff being affected. The Debt Advisory Committee approved this lease at their May 29, 2014 meeting.

The entire FY 14-15 cost of this project is \$286,900 and will be funded by MHSA and Medi-Cal. There will be no County General Funds needed for this project.

Special Instructions:

After Board action, please distribute as follows:

- | | |
|---|--|
| 1. Original Lease | Clerk of the Board Files |
| 2. Duplicate Original Lease | Office of Real Estate Services, Attn: Ashlee |
| 3. Copy of Lease and copy of Minute Order | Auditor-Controller, Financial Reporting Div. |
| | Attn: Betsy Schaffer |

Attachments:

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