

BOARD OF SUPERVISORS AGENDA LETTER

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Agenda Number:

Clerk of the Board of Supervisors 105 E. Anapamu Street, Suite 407

> Santa Barbara, CA 93101 (805) 568-2240

> > Department Name: General Services

Department No.: 063

For Agenda Of: September 18, 2007
Placement: Administrative

Estimated Tme:

Continued I tem: No

If Yes, date from:

Vote Required: Majority

TO: Board of Supervisors

FROM: General Services Bob Nisbet, Director (805) 5601011

Contact Info: Paddy Langlands, Assistant Director)805) 568-3096

SUBJECT: VA Lease at Calle Real Outpatient Clinic

County Counsel Concurrence

Auditor-Controller Concurrence

As to form Yes As to form: Yes

Other Concurrence: Risk Manager

As to form: Yes

Recommended Actions:

That the Board of Supervisors approve and execute the attached original and duplicate original <u>Lease Agreement</u> between the United States of America, Department of Veterans Affairs (hereinafter "VA") and the County of Santa Barbara, for the VA's use of approximately 6700 square feet of the County-owned medical facility currently occupied by the VA and located at 4440 Calle Real; for a period of five years, from October 1, 2007, through September 30, 2012; for a monthly rental amount of \$19,229.00, based on \$2.87 per square foot, including utilities.

<u>Summary Text:</u> The Lease Agreement will grant the VA use of approximately 6700 square feet of usable medical office space in the approximately 22,000 square foot County-owned Clinic located at 4440 Calle Real, in Santa Barbara. The initial term will be for five years, with three options to extend the Agreement for five years each, upon mutual agreement of the County and the VA. The monthly rent of \$19,229.00 includes utilities and landscaping of the surrounding grounds. Rent will be increased annually by 3%. The VA will contract separately for janitorial services. The County will be providing new paint, carpet, and window coverings in the leased space. The remainder of the Clinic building will be available for County use.

Background:

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 usable square feet of the medical facility located at 4440 Calle Real to the VA. The VA has continuously occupied that space and operated a medical clinic at the facility since that time, providing necessary medical services to our Veterans.

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The VA has constructed a new clinic in the Santa Maria area from which to provide their services to Santa Barbara County Veterans. In an effort to retain a presence in the South County, they have requested to continue leasing an approximately 6700 square foot portion of the 21,663 square foot Medical Clinic located at 4440 Calle Real so they may provide particular services in the South County to Santa Barbara County Veterans.

The VA will be downsizing and consolidating their operations to the 6700 square foot portion of the Clinic prior to October 1, 2007, when this Lease takes effect. The County will be coordinating with the VA in providing certain improvements to the space while minimizing interruption of the VA's services at the Clinic. The remainder of the Clinic will be available for County use.

<u>Fiscal and Facilities Impacts:</u> The monthly rent will be deposited to Fund 0001; Budget Unit 063; Account 3409; and Program 1207. General Services will use a portion of the rental income to fund the necessary improvements to the space. VA will be responsible for janitorial services.

The remaining space in the Clinic (approximately 16,000 square feet) will become available for County use.

Staffing Impacts: None

Special Instructions:

After Board action, please instruct Chair to distribute as follows:

- 1. Original, Duplicate Original and Minute Order Real Estate Services, Attn: Don Grady
- 2. Temporary Copy of Document

Clerk of the Board Files

NOTE: Real Estate Services will forward both originals to the Federal Government for execution. Upon final execution, one original will be returned for the County's files. Real Estate Services will make a copy for their files and deliver the original to the Clerk of the Board.

Attachments:

Lease Agreement

Authored by: Don Grady, Real Estate Services