



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: General Services
Department No.: 063
For Agenda Of: 12/8/09
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors

FROM: Department Bob Nisbet, Director (560-1011)
Director(s) General Services Department
Contact Info: Paddy Langlands (568-3096)
Assistant Director, Support Services

SUBJECT: **Restructuring and Relocation of Department of Social Services Staff; Flower Valley Lease Agreement in Lompoc; Fourth Supervisorial District**

County Counsel Concurrence

As to form: Yes

Other Concurrence: Select_Other

As to form: N/A

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve the relocation of the CalWORKs program and other Department of Social Services staff currently located in leased premises at the Flower Valley Plaza at 1133 and 1145 N. H Street, Suites C1-7 & D7-9 (approx 11,400 sq ft) in Lompoc, to other Department of Social Services offices.
- b) Direct General Services to notify the Landlord of lease termination, with a six month notice for Non-Appropriation, pursuant to Section 10 Non-Appropriation in the Lease Agreement between the County of Santa Barbara and Stuart Whitman Inc., executed in October 2008.

Summary Text:

The Department of Social Services operates a portion of the CalWorks and other programs in the Lompoc area from leased facilities located at 1133 and 1145 H Street in Lompoc. Declining revenue is driving the department to take cost savings measures and cut operational costs in order to maintain the integrity of their programs and service to the community. Upon the Board's approval of the recommendation, the General Services Department will notify the Landlord of the County's termination of the lease pursuant to Section 10, Non-Appropriation in the Lease Agreement.

Background:

The Department is currently, and continuing to be, more challenged by increasing caseload growth and other programmatic changes while resources are diminishing due to the economic downturn and State and County budget cuts. Due to these reductions in revenue the department must curtail costs by consolidating facilities. Staff at the Flower Valley site will be relocated to other Department of Social Services facilities that currently have space available. Closing this facility is expected to save the department approximately \$370,000 in annual costs of the lease, utilities, services and supplies. There will be a one time cost to relocate furniture and staff.

Under the terms of the Lease Agreement, and more particularly Section 10 Non-Appropriation, “LESSOR understands that monies paid to LESSOR by COUNTY as rent are derived from federal, state, or local sources, including local taxes, and are subject to curtailment, reduction, or cancellation by government agencies or sources beyond the control of COUNTY. COUNTY shall have the right to terminate this Agreement in the event that such curtailment, reduction or cancellation occurs. Termination shall be effective upon the expiration of six (6) calendar months after the mailing of termination notice by COUNTY to LESSOR, and the liability of the parties hereunder for further performance under the terms of the Agreement, except as otherwise set forth in this Section and in Section 21, Indemnification, herein below, shall thereupon cease, but neither party shall be relieved of their duty to perform their obligations up to the date of termination.”

The Department of Social Services have sent the Landlord a letter notifying him the department will be presenting this matter to the Board.

Fiscal and Facilities Impacts: Fiscal Analysis:

Declining revenue projections are based on the major categories of discretionary revenues available for use by the County to fund operations, which include property, sales and use taxes. Discretionary revenues were flat from FY 2007-08 to FY 2008-09 and are expected to decrease through FY 2010-11. Revenue from property taxes is projected to continue to decline in Fiscal Year 2009-10 and FY 2010-11. Additionally, the County has experienced a significant decline in Realignment revenue since FY 2007-08. Projections indicate a 25% reduction in FY 2010-11 from FY 07-08 in Realignment revenue.

Special Instructions:

Upon approval, please return one (1) copy of the Minute Order, attention: Diana Klopp, Department of Social Services, 234 Camino del Remedio, and (1) copy of the Minute Order, attention: Ronn Carlentine, Office of Real Estate Services, General Services Department.

Attachments:

None

Authored by:

Ronn Carlentine, Office of Real Estate Services, General Services Department