

SANTA BARBARA COUNTY BOARD AGENDA LETTER



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

Agenda Number:
Prepared on: 12/13/02
Department Name: General Services
Department No.: 063
Agenda Date: 1/14/03
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Ronald S. Cortez, Director
General Services Department

STAFF CONTACT: Don Grady,
Real Property Agent (568-3065)

SUBJECT: Casa Nueva/Santa Barbara Association of Governments Lease Agreement
Folio: YH 3411
Second Supervisorial District

Recommendation(s):

That the Board of Supervisors execute in duplicate the Lease Agreement between the County of Santa Barbara and the Santa Barbara County Association of Governments (SBCAG) for the leasing of a portion of the new Casa Nueva Building located at 260 North San Antonio Road, in the unincorporated area of Santa Barbara County, for a period of thirty (30) years, commencing on May 1, 2003.

SBCAG will be paying approximately \$1.29 per square foot for a monthly rent of \$7,729.65 for 5,979 square feet of office space for the duration of the term. The lease also provides that SBCAG pay for actual costs for maintaining and operating the building including \$597.90 per month to a capital replacement reserve fund.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No. 1. An Efficient Government Able to Respond Effectively to the Needs of the Community.

Executive Summary and Discussion:

On August 8, 2000, your Board entered into a Memorandum of Understanding (MOU) with the Santa Barbara Association of Governments (SBCAG) that set forth an agreement between the two entities in which the County would construct a building on County property and lease a portion of the building to SBCAG at an approximate rate of \$1.30 per square foot, plus operating costs. The operating costs were to include an amount to be allocated to a reserve fund for the replacement of capital items.

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Agenda Date: January 14, 2003

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The Casa Nueva Building is currently under construction on the County-owned property at 260 North San Antonio Road, also known as the "Calle Real Campus", in the unincorporated area of Santa Barbara County. The Certificates of Participation (COPs) have been issued and the square footage cost of leasing the building, determined by the cost to amortize the cost of the building over twenty years, is approximately \$1.29 per square foot.

The Casa Nueva Building will consist of approximately 28,274 square feet. SBCAG will occupy approximately 5,979 sq. ft. of commercial office space; roughly 21% of the building. The County and SBCAG have cooperated in the design of the building to ensure that it will meet the space requirements of SBCAG. Pursuant to that August 8, 2000 MOU, a process has been incorporated into the Agreement whereby SBCAG may increase its leased space in "Functional Blocks". That system, and a clear definition of Functional Blocks is included in the Lease Agreement. The remainder of the building will be occupied by the Santa Barbara County Air Pollution Control District, and the County's Social Services/Child Welfare Services Program.

Mandates and Service Levels:

No change.

Fiscal and Facilities Impacts:

The revenue generated by the rental payments will be applied to finance the COPs. COPs for the construction of the new Casa Nueva Building as well as other projects, were approved for issuance by your Board on November 6, 2001 and issued on December 1, 2001.

County will provide for maintenance and repair of the building, subject to reimbursement by SBCAG for their proportionate share thereof.

Special Instructions:

After Board action, distribute as follows:

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| 1. Original executed document | - Board's Official File |
| 2. Duplicate original document & Minute Order: | - Attn: Don Grady, GS/Facilities Svcs Div,
Courthouse Annex, 2 nd floor |

Concurrence:

County Counsel
Risk Management
Auditor/Controller
General Services