



Legislation Details (With Text)

File #: 20-0507

On agenda: 6/23/2020

Final action: 6/23/2020

Enactment date:

Enactment #: Agreement No. 15-380-1, Agreement No. 12-111-3

Title: Approve and authorize the Chairman to execute First Amendment to Lease Agreement No. 15-380 with Robert Berry Holdings, LLC., to extend the term of the Lease by 6 months, July 1, 2020 to December 31, 2020, for 10,539 square feet of office space at 2212 N. Winery, Suite 122, Fresno CA 93727, for a total increase in rent of \$81,179, not to exceed \$892,964; and approve and authorize the Chairman to execute Third Amendment to Lease Agreement No. 12-111 with Robert Berry Holdings, LLC., to extend the term of the Lease by 6 months, July 1, 2020 to December 31, 2020, for 10,696 square feet of office space at 2212 N. Winery, Suite 101, Fresno CA 93727, for a total increase in rent of \$44,594, not to exceed \$698,942

Attachments: 1. Agenda Item, 2. Agreement A-15-380-1 Lease with Robert Berry Holdings, LLC, 3. Agreement A-12-111-3 Lease with Robert Berry Holdings, LLC

| Date | Ver. | Action By | Action | Result |
|-----------|------|----------------------|-------------------------|--------|
| 6/23/2020 | 1 | Board of Supervisors | Approved as Recommended | Pass |

DATE: June 23, 2020

TO: Board of Supervisors

SUBMITTED BY: Kirk Haynes, Chief Probation Officer
Robert W. Bash, Director of Internal Services/Chief Information Officer

SUBJECT: First and Third Amendments to Lease Agreements with Robert Barry Holdings, LLC.

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute First Amendment to Lease Agreement No. 15-380 with Robert Berry Holdings, LLC., to extend the term of the Lease by 6 months, July 1, 2020 to December 31, 2020, for 10,539 square feet of office space at 2212 N. Winery, Suite 122, Fresno CA 93727, for a total increase in rent of \$81,179, not to exceed \$892,964.**
- 2. Approve and authorize the Chairman to execute Third Amendment to Lease Agreement No. 12-111 with Robert Berry Holdings, LLC., to extend the term of the Lease by 6 months, July 1, 2020 to December 31, 2020, for 10,696 square feet of office space at 2212 N. Winery, Suite 101, Fresno CA 93727, for a total increase in rent of \$44,594, not to exceed \$698,942.**

There is no additional Net County Cost associated with the recommended actions, which will allow Probation to continue operations at both locations until December 31, 2020. Due to the COVID-19 pandemic, it has been difficult to meet with the property owner and plan desired facility refurbishments and improvements to be included in a new long-term lease. The extension will allow time for this to take place. Robert Berry Holdings, LLC, the lessor, is in agreement with the extension of these leases through December 31, 2020, at the current lease rates. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, the lease extensions would not be effective, and the current

leases would expire June 30, 2020.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The rent for the recommended lease extension for Suite 122 is \$13,529.75 per month for 10,539 square feet (\$1.28/sf) of office space and will not change for the six-month lease extension. The cost of the recommended lease extension for Suite 122 over the six-month term is \$81,178.50.

The lease costs for Suite 122 are funded as follows:

- SB 678 California Community Corrections Performance Incentive Act - 38% or \$30,848
- California Department of Alcohol and Drug Programs revenue - 25% or \$20,295
- Net County Cost - 37% or \$30,036

The rent for the recommended lease extension for Suite 101 is \$7432.26 per month for 10,696 square feet (\$.69/sf) of office space, and will not change for the duration of the six-month lease extension. The cost of the recommended lease extension for Suite 101 over the six months is \$44,593.56.

The lease costs for Suite 101 are funded as follows:

- AB 109 2011 Public Safety Realignment - 50% or \$22,296.78
- Net County Cost - 50% or \$22,296.78

Appropriations and estimated revenues will be included in the FY 2020-21 budget requests for Probation Org 3430 and the Department of Behavioral Health (DBH) Substance Abuse Services Org 5630.

DISCUSSION:

Approval of the recommended actions will extend the current leases at 2212 N. Winery for Suites 122 and 101 for six months at the current rates, as follows:

Suite 122

Recommended action No. 1, for Suite 122, will continue the current rent of \$13,529.75 (\$1.28 per square foot), with no increase in rent for the duration of the 6-month lease extension. Probation and DBH have provided drug testing, alcohol and drug assessments, and probation supervision at this facility since November 2001. The current lease agreement was approved by the Board on August 11, 2015, and DBH occupies approximately 25% of this building.

Suite 101

Recommended action No. 2, for Suite 101, will extend the lease for 6 months, continuing the current rent of \$7432.26 for the duration of the extension. On March 6, 2012, the Board approved the current lease agreement at 2212 N. Winery, Suite 101, for the Probation Department. On August 11, 2015, the Board approved the first amendment to this lease to extend the term to June 30, 2020. On March 20, 2018, the Board approved the second amendment to this lease, to allow for the fencing of a portion of the parking areas of the leased facility, to create secured parking for County vehicles. This building is currently occupied by Probation staff in the adult supervision and pretrial units.

Janitorial services are included in the rent for both office locations. The County is responsible for utilities and the alarm system maintenance/monitoring charges. The leases may be terminated with a 30-day written notice due to breach of contract, casualty or non-allocation of funds.

During the recommended six-month lease extensions, the Department will be working to negotiate new rates, including facility improvements and refurbishments, in order to execute new five-year lease agreements, to be approved by the Board.

REFERENCE MATERIAL:

BAI #39, March 20, 2018
BAI #47, August 11, 2015
BAI #41, March 6, 2012

ATTACHMENTS INCLUDED AND/OR ON FILE:

On File with the Clerk- Amendments to Lease Agreements with Robert Barry Holdings, LLC.

CAO ANALYST:

Samantha Buck