

Central Services
Joan Araujo, Director

Engineering Services
James O'Tousa, Director

Roads & Transportation
Anitha Balan, Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Glenn Shephard, Director

November 7, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, California 93009

Subject: Approval of, and Authorization for the Director of the Public Works Agency or Designee to Sign, a Lease Agreement with MSWP The Palms, LLC, a Delaware Limited Liability Company, for Office Space Located at 2000 Outlet Center Drive, Suite C220, in the City of Oxnard, for the Human Services Agency (Project), with Monthly Rent Starting at \$14,620.00; Finding that the Project is Categorically Exempt from the California Environmental Quality Act; Authorization for the Director to Approve Minor Modifications to the Agreement; Supervisorial District No. 3.

Recommendations:

1. Approve and authorize the Director of the Public Works Agency or designee to sign the attached Lease Agreement with MSWP The Palms, LLC, a Delaware limited liability company for office space located at 2000 Outlet Center Drive, Suite C220, in the city of Oxnard, for use by the Human Services Agency (Project).
2. Find that your Board's approval of the Project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 as an action solely to lease existing facilities.
3. Authorize the Director to approve minor modifications to the Agreement provided that any such modification is consistent with the original purpose of the Agreement, does not result in additional costs to the County of Ventura and is reviewed and approved as to form by the County Counsel's Office.



Fiscal/Mandates Impact:

Mandatory: No
 Source of Funding: Federal, State, County Funds
 Funding Match Required: None
 Impact on Other Departments: None

Summary of Revenue and Total Costs:

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
Revenue:	\$ 0	\$ 179,940
Costs:		
Direct	\$ 0	\$ 219,440
Indirect – Agency/Dept.	\$ 0	N/A
Indirect – County CAP	\$ 0	N/A
Total Costs	\$ 0	\$ 219,440
Net Costs	\$ 0	\$ 39,500
Recovered Indirect Costs	\$ 0	

Current Fiscal Year (FY) Budget Projections:

FY 2023-24 Adopted Budget for HSA Program Operations Division # 3410				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$205,531,529	\$205,531,529	\$205,531,529	\$0
Revenue	\$181,427,098	\$181,427,098	\$181,427,098	\$0
Net Cost	\$24,104,431	\$24,104,431	\$24,104,431	\$0

It is anticipated that tenant improvements will be completed over the next several months, such that monthly rent payments will commence in July 2024.



Discussion:

The Human Services Agency (HSA) strives to provide in-person services to the community from convenient locations throughout the county, including in Oxnard where more than 40% of HSA's clients reside. As part of a broader strategy to expand community access points in Oxnard following the repurposing of HSA's former facility at 1400 Vanguard in Oxnard, HSA proposes to lease space at 2000 Outlet Center Drive, Suite C220, Oxnard (Project). From this site, HSA will offer a range of services to children, families and individuals that foster well-being, enable access to basic-needs supports, and promote linkage to career services. Further, HSA will pursue partnerships with organizations in the immediate area that offer healthcare, immigration, social security, employment and other support services.

Lease Terms:

Your Board is being requested to approve a Lease Agreement (Lease) for 5,848 square feet of office space in Oxnard.

The salient terms of the proposed Lease are as follows:

LESSOR: MSWP The Palms, LLC, a Delaware limited liability company

PREMISES: 5,848 rentable sq. ft. of improved office space in Suite C220 of the multi-tenant office building commonly known and referred to as 2000 Outlet Center Drive, Oxnard.

TERM: The term of this Lease shall be sixty-one (61) months and commence upon substantial completion of turnkey tenant improvements by Lessor.

RENT: Rent shall be \$14,620.00 per month, modified gross, for the first 12 months of the term. This rent reflects a rate of \$2.50 per square foot which Real Estate Services has determined to be representative of fair market rent for such space in Oxnard. The rent will increase annually thereafter by 3.5% throughout the remaining term of the Lease and any subsequent renewal term, resulting from County exercising its option to extend the term of the Lease. The rent shall be abated during the second (2nd) month of the initial term.



UTILITIES: County shall pay for certain utilities serving the Premises, including gas, and electricity, and make payments directly to the utility company furnishing same. Lessor shall pay and contract for water, sewer, and waste removal services.

JANITORIAL SERVICE: County shall provide its own janitorial service to the Premises.

MODIFICATIONS BY LESSOR: Lessor shall, at its own cost and expense, provide turnkey tenant improvements to the Premises in accordance with the Lease. However, within thirty (30) days after the Completion Date of Tenant Improvements, County shall deliver to Lessor a check in the amount of \$44,000.00, which amount represents Lessor's estimate of the cost of the Partition to be installed by Lessor as part of the Tenant Improvements.

OPTION TO EXTEND: County shall have one (1), five-year option to extend the term of the Lease.

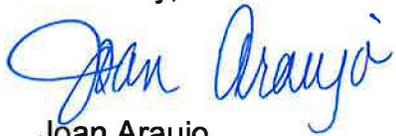
Your Board's approval of the Project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 as an action to lease existing facilities. Staff has also determined that no unusual circumstances or other facts set forth in CEQA Guidelines section 15300.2(c) precludes use of this categorical exemption.

This letter and the Lease have been reviewed by the County Executive Office, the Auditor-Controller's Office, County Counsel, and the Human Services Agency. As required by section 25351 of the Government Code, prior notice of the proposed lease transaction was provided to the city of Oxnard.

If you have any questions regarding the fiscal or discussion portions of this letter, please contact Jennie Pittman, HSA Deputy Director for Administrative Services, at 805-477-5340. If you have questions regarding the Lease, please contact George Andrade, Manager of the Real Estate Services Division, at 805-654-2402, or the undersigned at 805-654-2084.



Sincerely,



Joan Araujo
Director, Central Services

Attachments:

Exhibit 1 – Vicinity Map

Exhibit 2 – Location Map

Exhibit 3 – Lease Agreement

