

**MEMORANDUM  
DEPARTMENT OF FACILITY SERVICES  
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **MARCH 7, 2006**

From: **JAMES DURFEE / MARY DIETRICH**

Subject: **LEASE AGREEMENT - THE GATHERING INN**

**ACTION REQUESTED / RECOMMENDATION:** Based on the Material Terms attached hereto, authorize Facility Services to complete negotiations for a Lease Agreement between the County of Placer and The Gathering Inn, Inc. for Health and Human Services program space, located at 201 Berkeley Avenue in Roseville, CA, and authorize the Director of Facility Services to execute the Lease Agreement on behalf of your Board upon approval by County Counsel.

**BACKGROUND:** The Gathering Inn, Inc. (TGI) is a non-profit corporation that provides a wide variety of services to homeless persons through its facility at 201 Berkeley Avenue in Roseville. The Health and Human Services Department (HHS) is working in partnership with TGI, to provide Adult System of Care and Human Services programs to many persons served by TGI. HHS views its proposed occupancy in this facility as an opportunity to provide improved access and referral services to these targeted individuals. Additionally, this facility can accommodate staff charged with implementing the Mental Health Services Act (MHSA) that was scheduled for implementation in early 2006.

The Property Management Division has negotiated the attached Material Terms for a lease agreement, which defines phased occupancy of the Premises that total 1,912 square feet. As described in the attachment, when the initial term ends on March 31, 2007, the County will have two (2) one-year options to extend HHS' occupancy in this facility. Monthly rent for the Premises will begin at approximately \$1.09 per square foot, and increase to a market rate of \$1.35 per square foot upon exercise of the first option. Rent for the subsequent option terms will adjust by the Consumer Price Index (CPI). Additional market-rate charges for common area maintenance, utility and janitorial costs are detailed in the Material Terms. In order to accomplish HHS' desired program goals, it is requested that your Board authorize staff to complete the lease negotiations and allow the Director of Facility Services to execute the Agreement following its approval by County Counsel.

**ENVIRONMENTAL CLEARANCE:** The lease of this facility is Categorically Exempt from review pursuant to Section 15301 of the California Environmental Quality Act. This Section provides for activities, including leasing of facilities, when there is no expansion of use beyond that previously existing.

**FISCAL IMPACT:** Base Rent and other lease charges, for the remainder of Fiscal Year 05/06, will total \$11,975. Grant programs, including the Mental Health Services Act, will fund all current and future costs associated with this lease, resulting in no fiscal impact to the County General Fund.

JD:MD:MR

ATTACHMENT A: SUMMARY OF MATERIAL TERMS

cc: COUNTY EXECUTIVE OFFICE  
HEALTH AND HUMAN SERVICES DEPARTMENT

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**SUMMARY OF MATERIAL TERMS  
201 BERKELEY AVENUE, ROSEVILLE**

1. **Premises:** Occupancy of Premises totaling 1,912 square feet.
  - a. Suite E-1: 144 square feet.
  - b. Suites B, C, D, D-1, and E: 1,768 square feet, total.
  
2. **Initial Term:**
  - a. Suite E-1: Sixteen (16) months, commencing December 1, 2005, and terminating March 31, 2007.
  - b. Suites B, C, D, D-1, and E: Fourteen (14) months, commencing February 1, 2006, and terminating March 31, 2007.
  
3. **Options:** Two (2) additional one (1) year extensions of the Term at County's discretion.
  
4. **Base Rent:**
  - a. Initial Term:
    - i. Suite E-1: \$150.00 per month for the period from December 1, 2005 to January 31, 2006.
    - ii. Suites B, C, D, D-1, E, and E-1: \$2,075.00 per month for the period from February 1, 2006 to March 31, 2007.
  - b. First Option Term: \$2,581.20 per month for the entire 1,912 square foot Premises.
  - c. Second Option Term: The monthly Base Rent shall adjust by the All Urban Consumers - California, Consumer Price Index (CPI).
  
5. **Maintenance and Janitorial:** County shall pay Landlord for maintenance, janitorial and certain utility expenses as follows:
  - a. December 1, 2005 to January 31, 2006: \$25.00 per month. (Initial Term, 2. a., above)
  - b. February 1, 2006 to March 31, 2007: \$250.00 per month. (Initial Term, 2. b., above)
  - c. April 1, 2007 to March 31, 2008: \$262.50 per month (First Option Term)
  - d. April 1, 2008 to March 31, 2009: \$275.00 per month. (Second Option Term)In consideration of this amount, Landlord shall keep the Premises and Common Areas in good and sanitary condition, which includes without limitation, the expedient maintenance, repair and replacement of any doors, windows, glazing, fire sprinkler/alarm system, heating and air conditioning system (including filter pads), fluorescent light ballasts, plumbing systems (including, toilets, fixtures, pipes, water lines, sewer lines), electrical wiring and conduits, exterior walls, roof, sidewalks, pavement (including curbing, paving, and striping), fencing, landscaping, irrigation systems, and signage; except for any damage occurring because of the misuse of the Premises by the County, its employees, agents, guests, and clients.
  
6. **Utilities:** County shall pay for electric service provided to the Premises, either directly to the utility provider, or through a pro-ration defined by the Lease (e.g. Suites B and C represent 57% of a common meter). County shall pay for all telephone service provided to the Premises. Landlord shall pay all natural gas, garbage removal, sewer, and water service to the Premises. Landlord shall pay for all common area utility charges.