



**MEMORANDUM  
FACILITIES MANAGEMENT  
REAL ESTATE SERVICES DIVISION**  
County of Placer

**TO:** Honorable Board of Supervisors **DATE:** September 28, 2021  
**FROM:** Steve Newsom, Director of Facilities Management  
**BY:** Pamela Tatoole, Project Manager II  
**SUBJECT:** Real Estate Services Division / Lease Agreement / Health and Human Services  
Public Guardian and Public Administration Programs / Lyons Plaza Center 1919  
Grass Valley Highway, Auburn, Suite 100, CA

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**ACTION REQUESTED**

Adopt a Resolution authorizing the Director of Facilities Management, or designee, to execute a lease agreement with Duff Brothers, Joint Venture for Health and Human Services Adult System of Care Public Guardian and Public Administrator Programs to relocate to 1919 Grass Valley Highway, Suite 100 in Auburn for a ten-year initial term with two additional five-year options at \$4,761.73 per month with annual increases, and; administer the lease agreement including carrying out the Future Tenant Improvements and Minor Alterations provisions.

**BACKGROUND**

The Placer County, Health and Human Services (“HHS”) Adult System of Care, Public Guardian, and Public Administrator Programs (“Programs”) are currently located at the Placer County Government Center (“PCGC”) in Building 107. The Programs need to be moved to accommodate the new HHS Center and there is no adequate facility for the Programs at the PCGC. As a result, Real Estate Services (“RES”) has been working closely with HHS staff to identify alternative space in the Auburn area to relocate the Programs.

RES negotiated a favorable long-term lease agreement (“Lease”) with Duff Brothers, Joint Venture (“Landlord”) for a space that is approximately 3,043 square feet at 1919 Grass Valley Highway, Suite 100 in Auburn (“Premises”). The Lease term includes a 10-year initial term with two additional 5-year options. Initial rent will start at \$4,761.73 a month and increase annually per the rent schedules included in the Lease. HHS shall pay all charges for electricity, gas, telephone, and custodial services associated with the Premises.

Landlord has agreed to perform the initial tenant improvements which include adding additional doors at entryway, removal of walls, and adding necessary upgrades for the telecommunications server room. With the Landlord paying for initial tenant improvements, HHS will be responsible for paying for shelving, and telecommunication and security systems installation.

The Lease provides for future tenant improvements and minor alterations to streamline the process for the County. The future tenant improvement provision will allow the Landlord to perform up to \$50,000 of tenant improvements over the term of the Lease, subject to execution

Honorable Board of Supervisors

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of a lease amendment and approval by County Counsel, Risk Management, HHS, and the Director of Facilities Management.

The minor alterations provision allows the Landlord to perform minor improvements or alterations, with the Director of Facilities Management authorizing said alteration by issuing a notice to proceed that describes the scope of work and specifies the not to exceed amount. The total alterations shall not exceed \$9,500 over the course of the lease.

To enter into the new Lease and to solidify HHS occupancy of the Premises, it is necessary for your Board to adopt a Resolution authorizing the Director of Facilities Management, or designee, to execute and administer the Lease.

### **ENVIRONMENTAL IMPACT**

This agreement is Categorically Exempt from review pursuant to Section 15301 of the California Environmental Quality Act (CEQA) Guidelines. This section provides for activities, including leasing of existing facilities, where there is no expansion of use beyond that previously existing.

### **FISCAL IMPACT**

Rent will commence at \$4,761.73 per month and be adjusted annually per the rent tables in the Lease Agreement. Costs including rent, electricity, gas, telephone, and custodial services associated with the Premises are included in the HHS Department FY 2021/22 Budget. Costs for preparation and management of the Lease are included in the Real Estate Services Division FY 2021-22 Budget.

### **ATTACHMENTS**

Resolution

On file with Clerk of the Board – Lease Agreement Lyons Plaza Center Public Guardian and Public Administration Programs

# Before the Board of Supervisors County of Placer, State of California

Resolution No.: \_\_\_\_\_

**In the matter of:** A Resolution authorizing the Director of Facilities Management, or designee, to execute a Lease Agreement with Duff Brothers, Joint Venture for Health and Human Services Adult System of Care Public Guardian and Public Administrator Programs to relocate to 1919 Grass Valley Highway, Suite 100 in Auburn; and to administer the Lease Agreement including carrying out the Future Tenant Improvements and Minor Alterations provisions.

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held \_\_\_\_\_, by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chair, Board of Supervisors

Attest:

\_\_\_\_\_  
Clerk of said Board

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WHEREAS, COUNTY desires to lease from the Duff Brothers, Joint Venture (Landlord) those Premises located at 1919 Grass Valley Highway, Suite 100 in Auburn, California, to store custodial property held by the Placer County Health and Human Services, Adult System of Care, Public Guardian and Public Administrator Programs, and office space for attending staff.

BE IT RESOLVED, by the Board of Supervisors, County of Placer, State of California, does hereby delegate authority to the Director of Facilities Management, or designee, to finalize and execute the Lease Agreement, and to administer said Lease, on behalf of the County including, but not limited to authorizing amendments for Future Tenant Improvements up to \$50,000 over the term of the Lease, following approval by County Counsel and Risk Management and authorizing Minor Alterations up to \$9,500 for any single project.

