

Attachment 3 – Second Amendment dated 5-21-13



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-5

For the meeting of: May 21, 2013

Date: April 24, 2013

To: Board of Supervisors

From: Phillip R. Crandall, Director *PRC*
Department of Health and Human Services-Mental Health

Subject: Second Amendment To Lease for 824 Harris Street, Eureka with Rachel-Jill Hemmert

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approves the Second Amendment To Lease at 824 Harris Street, Eureka, CA with Rachel-Jill Hemmert for the period of July 1, 2013 through June 30, 2015; and
2. Directs the Clerk of the Board to return one (1) original of the executed Second Amendment To Lease to Public Works-Real Property Division for transmittal to Lessor.

SOURCE OF FUNDING:

Mental Health Fund

DISCUSSION:

The Department of Health and Human Services (DHHS)-Mental Health Administration offices are located at 824 Harris Street, Eureka. The Lease Agreement (Attachment 1) with Rachel-Jill Hemmert at 824 Harris Street, Eureka, was executed on June 28, 2005 (Item D-8) and was first amended on June 24, 2008 (Item C-6). The First Amendment (Attachment 2) to the Lease extended the term through June 30, 2010 and

Prepared by Michelle Tucker, AA

CAO Approval

Amy Wilson

REVIEW:

Auditor *MSM* County Counsel _____ Personnel _____ Risk Manager _____ Other _____

TYPE OF ITEM

Consent
 Departmental
 Public Hearing
 Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Bass* Seconded by Supervisor *Lavelle*
Ayes *Bass, Lavelle, Sundberg, Behn, Fennell*
Nays _____
Abstain _____
Absent _____

PREVIOUS ACTION/REFERRAL:

Board Order No. D-8, C-6, C-16, C-12, C-7

Meeting of: 1/22/08, 6/24/08, 4/6/10, 3/15/11, 3/20/12

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *May 21, 2013*
By: *Kathy Hayes*
Kathy Hayes, Clerk of the Board

changed the janitorial services to be provided by LESSOR, increased the monthly rental amount, along with including options to extend the Lease for three (3) additional one (1) year terms. On April 6, 2010 (Item C-16), the Board exercised the first option to extend the Lease for the period of July 1, 2010 through June 30, 2011. On March 15, 2011 (Item C-12), the Board exercised the second option to extend the Lease for the period of July 1, 2011 through June 30, 2012. On March 20, 2012 (Item C-7), the Board exercised the third option to extend the Lease from July 1, 2012 to June 30, 2013. DHHS-Mental Health now recommends that the Board approves the Second Amendment to the Lease, which will extend the term through June 30, 2015 and provides three (3) one (1) year options to extend the Lease.

The 824 Harris Street building provides necessary space to house DHHS- Mental Health administrative staff and is located in close proximity to Sempervirens.

Therefore, DHHS recommends that the Board approves the Second Amendment To Lease at 824 Harris Street, Eureka, CA with Rachel-Jill Hemmert for the period of July 1, 2013 through June 30, 2015, and directs the Clerk of the Board to return one (1) original of the executed Second Amendment To Lease to Public Works-Real Property Division for transmittal to Lessor.

FINANCIAL IMPACT:

The cost of the monthly rent for the Lease will be Two Thousand, Four Hundred Ninety-Nine Dollars (\$2,499.00) per month or \$1.24 per square foot. This expenditure has been included in the proposed budget for FY 2013-14, DHHS-Mental Health budget unit 1170-424. There is no impact to the County General Fund.

Approving the Second Amendment To Lease supports the Board's Strategic Framework by creating opportunities for improved safety and health and helping to protect vulnerable populations.

OTHER AGENCY INVOLVEMENT:

Public Works-Real Property Division

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve the Second Amendment To Lease to extend the term through June 30, 2015, in which case the DHHS-Mental Health administrative offices would have to vacate the premises and find another suitable location. DHHS does not recommend this alternative.

ATTACHMENTS:

- Attachment 1: Original Lease for 824 Harris Street, Eureka
- Attachment 2: First Amendment to Lease for 824 Harris Street, Eureka
- Attachment 3: Second Amendment to Lease for 824 Harris Street, Eureka

ORIGINAL

SECOND AMENDMENT TO LEASE

This Amendment to the Lease entered into on June 28, 2005 and amended on June 24, 2008, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter called COUNTY and RACHEL-JILL HEMMERT, hereinafter called LESSOR, is entered into this 21 day of May, 2013.

WHEREAS, the parties entered into a Lease for the use of the premises at 824 Harris Street, Eureka, California, for the purpose of office space; and

WHEREAS, COUNTY and LESSOR desire to extend the term of the Lease and to amend the Lease as specified.

NOW, THEREFORE, it is mutually agreed as follows:

1. Paragraph 4, TERM OF LEASE, of the Lease is amended to read as follows:

A. The term of this Lease shall be extended for a period of two (2) years commencing on July 1, 2013 and ending June 30, 2015.

B. COUNTY has the option to extend this Lease, upon the same terms and conditions, for three (3) one (1) year terms. Each option may be exercised by COUNTY giving LESSOR written notice of its intent to extend the Lease. The notice shall be in writing and shall be given to LESSOR sixty (60) days prior to the end of the initial term or any one (1) year term extension.

C. Any holding over with LESSOR'S consent beyond the term of this Lease shall be a month to month tenancy, with all the terms and conditions of this Lease.

2. In all other respects the Lease between the parties entered into on June 28, 2005 and amended on June 24, 2008, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Lease dated June 28, 2005 and amended on June 24, 2008, on the date indicated above.

(SEAL)
ATTEST
CLERK OF THE BOARD

By [Signature]

COUNTY OF HUMBOLDT
By [Signature] VC
Chair, Board of Supervisors
County of Humboldt
State of California

LESSOR
BY [Signature]
TITLE Trustee Rachel J. Hemmert Family Trust