



COUNTY OF HUMBOLDT

Legislation Text

File #: 23-1323, Version: 1

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:

Approval of Lease, with Jon Stone and Larry O. Doss (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve and authorize the Chair of the Board to sign the attached Lease Agreement with Jon Stone and Larry O. Doss, Joint Tenants, for use of 515 J Street, Eureka as office space;
2. Approve and authorize Public Works Director, and designees thereof, to negotiate terms for the purchase of real property located at 515 J Street in Eureka, California, with Jon Stone and Larry O. Doss and any duly authorized agents thereof;
3. Approve the attached supplemental budget for Conflict Counsel, 1100246, in the amount of \$85,000 (4/5 Vote Required); and
4. Approve the attached transfer from Contingencies in the amount of \$62,454 (4/5 Vote Required).

SOURCE OF FUNDING:

General Fund- Conflict Counsel (1100246)

General Fund Contingency (1100990)

2020 Finance Plan

DISCUSSION:

Recently, 515 J Street in Eureka became available for lease. This two (2) story building contains over 4,400 square feet of office space in very good condition, along with dedicated parking. The building is currently divided into three (3) separate suites, one (1) on the ground floor and two (2) upstairs. This property is located less than one (1) city block from the Humboldt County Courthouse.

With approval of this lease, Conflict Counsel will occupy the majority of the premises at 515 J Street. The offices of Conflict Counsel have been located at 935 3rd Street since July 2012. A 2018 Americans with Disabilities Act (ADA) assessment of the building at 935 3rd Street identified multiple

accessibility barriers. Due to the nature of the open ADA barriers at 935 3rd Street, Eureka the best course of action was determined to relocate Conflict Counsel, accordingly the county’s ADA Compliance Plan is recommending this program for relocation to 515 J Street. In addition to Conflict Counsel, one additional small program will also be relocated to one of the upstairs suites at 515 J Street. This program has not yet been determined.

515 J Street has been assessed for accessibility barriers. It has significantly less barriers than Conflict Counsel’s existing location at 935 3rd Street. However, 515 J Street will still require work to be in compliance with ADA. The county’s ADA compliance team will perform the ADA barrier removal at this location. There is a benefit for the county to perform these improvements in a manner that will fit the needs of the programs being relocated. Barrier removal is expected to cost approximately \$220,000 and will be completed in two (2) phases. Phase one will be the public facing service on the ground floor and Phase 2 will be the remaining barriers. Funds for barrier removal efforts will be paid from the 2020 the Finance Plan.

Due to its ideal location and good condition, this facility has also been identified by staff as an beneficial location to pursue as a property acquisition. Such an acquisition would support a greater ownership of property as well as being able to expand and consolidate county facilities into a campus-like setting, two (2) important goals of the 2020 Facilities Master Plan. As a result, this lease includes an exclusive right to negotiate the purchase of 515 J Street during the initial 18 months of the four (4) year term of the lease. The price of acquisition is yet to be determined. The price will be negotiated with the owners based on an appraisal by an independent licensed commercial appraiser.

FINANCIAL IMPACT:

Expenditures (Fund, Budget Unit)	FY23-24	FY24-25 Projected	FY25-26 Projected
Budgeted Expenses		\$230,555	\$98,422
Additional Appropriation Requested	\$147,454		
Total Expenditures	\$147,054	\$230,555	\$98,422
Funding Sources (Fund, Budget Unit)	FY23-24 Adopted	FY24-25 Projected*	FY25-26 Projected*
General Fund		\$95,555	\$98,422
Finance Plan	\$85,000	\$135,000	
Contingencies	\$62,454		
Total Funding Sources	\$147,054	\$230,555	\$98,422

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:

Per the lease, upon receipt of the Commencement Date Notice, the county shall pay \$7,806.75 per month for use of the premises with an annual escalation of 3%. The cost of the lease at 515 J Street for the remainder of fiscal year (FY) 2023-24 is \$62,454. Should your Board approve this request, the balance of General Fund Contingencies will be \$995,331.

Costs associated for ADA barrier removal for the public facing services located on the ground floor of 515 J Street, Eureka are estimated to be \$85,000 in FY 2023-24. Additional barrier removal to bring the full building into compliance with the ADA are estimated to be \$135,000 and will be paid from the 2020 Finance Plan in FY 2024-25.

The total cost of the purchase of 515 J Street, Eureka is unknown at this time. 2020 Finance Plan funding has been set aside for the purchase.

STAFFING IMPACT:

Should the county decide to place Conflict Counsel at 515 J Street, there will not be any impact to county staffing levels.

STRATEGIC FRAMEWORK:

This action supports the following areas of your Board's Strategic Framework.

Core Roles: Provide for and maintain infrastructure

New Initiatives: Provide community-appropriate levels of service

Strategic Plan: 4.3 - Create campus-like county facilities with co-located services that are desirable to work and be in, in consultation with the cities

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board may decide not to approve this lease. However, staff recommends the approval of this lease since the current Conflict Counsel facility is not ADA compliant. Additionally, this lease allows the county to exclusively negotiate the purchase of 515 J St, which is in line with multiple goals of the 2020 Facilities Master Plan. Lastly, an opportunity to lease or acquire a similar facility in a similar location is unlikely.

ATTACHMENTS:

Lease with Jon Stone & Larry O Doss for 515 J Street, Eureka

Supplement Budget

Appropriation Transfer

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File No.: N/A