



Agenda Submittal

Agenda #: 19 **Status:** Approved
Type: Contract **Department:** First 5 Solano
File #: 19-235 **Contact:** Michele Harris, 784-1332
Agenda date: 3/26/2019 **Final action:** 3/26/2019
Title: Approve a Lease Agreement for approximately 8,956 square feet at 3375 Sonoma Blvd. in Vallejo to implement a First 5 Center for a 5 year term at the delivery of the space and issuance of an occupancy permit by the City of Vallejo, or July 1, 2019, whichever is later; and Authorize the County Administrator to sign the agreement and any subsequent amendments which are administrative in nature and have no fiscal impact
Governing body: Board of Supervisors
District: All
Attachments: 1. A - Lease, 2. Executed Lease, 3. Minute Order

Date	Ver.	Action By	Action	Result
3/26/2019	1	Board of Supervisors	Approved	

Published Notice Required? Yes ☐ No ☒
Public Hearing Required? Yes ☐ No ☒

DEPARTMENTAL RECOMMENDATION:

First 5 Solano recommends the Board of Supervisors approve a Lease Agreement for approximately 8,956 square feet at 3375 Sonoma Blvd. in Vallejo to implement a First 5 Center (F5C) for a 5-year term commencing at the delivery of the space and issuance of an occupancy permit by the City of Vallejo, or July 1, 2019, whichever is later; and authorize the County Administrator to sign the agreement and any subsequent amendments which are administrative in nature and have no fiscal impact.

SUMMARY:

In December 2017, the First 5 Solano Commission adopted its 2018-2023 Program Investment Plan which included an allocation of funds to establish a First 5 Center (F5C) in Vallejo due to the high number of risk factors within zip code 94590. After over a year of searching and negotiating for a location, terms have been established to lease space at 3375 Sonoma Blvd. to house the F5C and the First 5 Solano administrative offices.

The proposed lease agreement is for +/-8,956 s/f at 3375 Sonoma Blvd. at \$1.15 s/f with an increase based on CPI of up to 3% maximum annually, for 5 years with an option to renew for an additional 5 years. Tenant improvements will be required to customize the space for the needs of the center and are expected to take several months.

FINANCIAL IMPACT:

The First 5 Solano Commission has allocated funds to cover the cost of the annual lease through its Proposition 10 tobacco tax funds. No General Fund will be used to cover the costs of the lease.

Funding to cover the one-time tenant improvement costs is a combination of First 5 Solano Proposition 10

tobacco taxes, funds raised from outside sources, including those already secured through Yocha Dehe Wintun Nation and Kaiser Community Benefit, and \$200,000 of General Fund which was allocated to First 5 Solano for tenant improvements during the adoption of the FY2018/19 Budget. Any funds required beyond funds raised will be paid for by the First 5 Solano Commission reserve fund.

DISCUSSION:

The F5C in Vallejo is intended to be a safe and welcoming hub serving families with young children ages 0 to 5 in Vallejo. Programming will be responsive to the unique and emerging needs of families and the community. Goals of the F5C include:

- Increasing parents' knowledge, skills and opportunities to meet the needs of their young children as they grow and develop;
- Supporting children's optimal health, development and learning;
- Supporting and promoting positive parenting practices that strengthen parent-child relationships;
- Helping parents facilitate their child's learning and readiness for school;
- Connecting parents to needed community resources;
- Building community and expanding families' social networks of support;
- Preparing parents to be advocates for children, and
- Promoting civic engagement.

The Commission chose to locate its First 5 Center in the 94590 zip code of Vallejo due to the high number of risk factors for young children and families in this community. Risk factors include:

- The federal poverty rate among young children of 44%
- Only one in three children attend preschool
- 17% of adults unemployed
- Only 27% of children were proficient readers at third grade.

After an exhaustive search for space, First 5 Solano has identified a location in Vallejo that is appropriate to house the F5C. Space available at 3375 Sonoma Blvd. meets all of the Commission criteria for selecting a location for the First 5 Center in Vallejo:

- Close to or within the two Vallejo census tracts with the highest poverty rates for children, at 69% and 78% childhood poverty
- A minimum of 7,000 sq. ft. to accommodate the First 5 Center, First 5 Solano Offices, and space for partners to deliver services as needed
- A relatively safe location for staff and clients
- Close to public transportation and adequate parking.

In addition, to the F5C, the site at 3375 Sonoma Blvd. is also large enough to co-locate the First 5 Solano Administrative offices. The current lease for First 5 Solano's Administrative Offices is with the County of Solano. The lease expires September 24, 2020, unless sooner terminated by mutual consent by both parties. First 5 Solano staff and County Administration staff intend to work together to determine if/when early termination of the existing lease is an appropriate action.

Should the Board choose to approve the lease agreement as recommended, staff will work with the owner to immediately initiate tenant improvements, which will be completed by the owner's contractors. Concurrently, staff is currently following the County's contracting process to select an operator for the services that will be provided at the center. Based on the schedule for tenant improvements and pending the permitting process, it is anticipated the site will be available for occupancy as early as October 2019 with services beginning November 2019.

ALTERNATIVES:

The Board could choose to remand the lease back to First 5 Solano for modifications. This is not recommended as fair lease terms have been successfully negotiated and any changes will further delay the start of the lease and services for young children in Vallejo.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the lease agreement.