



**GENERAL SERVICES AGENCY  
PROPERTY MANAGEMENT  
COUNTY OF TULARE  
AGENDA ITEM**

**BOARD OF SUPERVISORS**

KUYLER CROCKER  
District One

PETE VANDER POEL  
District Two

AMY SHUKLIAN  
District Three

J. STEVEN WORTHLEY  
District Four

MIKE ENNIS  
District Five

**AGENDA DATE:** August 28, 2018

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
County Counsel Sign-Off	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>

CONTACT PERSON: Maria Benavides    PHONE: 624-7223

**SUBJECT:** Notice of Intent to Lease Space 1062 South K St. in Tulare

**REQUEST(S):**

That the Board of Supervisors:

1. Declare, by at least a two-thirds vote, the intent to lease 16,046 square feet of space in the Tulare Hillman Health Center, located at 1062 South K St., Tulare, by approving the attached resolution authorizing the Clerk of the Board to advertise the lease terms delineated in Exhibit A "Notice of Intent to Lease Real Property."
2. Approve September 25, 2018 at 9:00 AM as the date and time at which sealed proposals to lease will be received and considered by the Board.
3. Authorize the County Administrative Officer, or his designee, to publish the attached Exhibit A "Notice of Intent to Lease Real Property" once a week for three consecutive weeks pursuant to Government Code §25350 and §6063.
4. Approve lease terms and selection process as delineated in Exhibit B "Lease Terms, Bid Process and Selection Process."

**SUMMARY:**

The County currently owns the Tulare Hillman Health Center, an approximately 56,106 square foot (sq. ft.) building located at 1062 South K St., in Tulare. In June 2018, a 16,046 sq.ft. clinic space in the northwest wing of the building was vacated by the Tulare Regional Medical Center and now sits empty. Approximately 71% of the building is occupied by County departments. The remaining 29% is surplus to current County business needs. As such, the County is seeking qualified tenants to lease the 16,046 sq.ft. of vacant clinic space.

**SUBJECT:** Notice of Intent to Lease Space 1062 South K St. in Tulare

**DATE:** August 28, 2018

Pursuant to Government Code §25526, the Board must declare their intent to lease the property, advertise and accept sealed bids. This agenda item fulfills this requirement and staff will return to the Board on September 25, 2018 to examine any bids received and proceed accordingly. Exhibits A and B identify the advertisement process, lease terms, bid process and selection process.

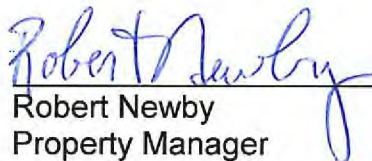
**FISCAL IMPACT/FINANCING:**

There is no Net County Cost to the General Fund. Any proposed lease will generate income for the County.

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

The County's Strategic Business Plan includes the Organizational Performance Initiative. This agenda item contributes to this initiative in that it efficiently utilizes surplus space in County-owned facilities to generate revenue.

**ADMINISTRATIVE SIGN-OFF:**

  
\_\_\_\_\_  
Robert Newby  
Property Manager

cc: County Administrative Office

Attachment(s)

A - Notice of Intent to Lease Real Property

B - Lease Terms, Bid Process and Selection Process



## **EXHIBIT A**

### **NOTICE OF INTENT TO LEASE REAL PROPERTY**

SEPTEMBER 24, 2018 AT 5:00 PM IS THE DEADLINE FOR THE RECEIPT OF PROPOSALS TO LEASE 16,046 SQUARE FEET OF SPACE IN THE TULARE HILLMAN HEALTH CENTER, LOCATED AT 1062 SOUTH K ST., TULARE, FOR A TERM OF FIVE (5) YEARS COMMENCING WHEN THE LEASE IS EXECUTED BY THE TULARE COUNTY BOARD OF SUPERVISORS FOR A MINIMUM MONTHLY RENTAL RATE OF \$1.20 PER SQUARE FOOT PLUS A FIXED COMMON AREA MAINTENANCE CHARGE PER SQUARE FOOT BASED ON THE PROJECTED COST OF BUILDING OPERATIONS.

SEALED PROPOSALS TOGETHER WITH A WRITTEN STATEMENT OF THE PROPONENT'S INTENDED USE AND QUALIFICATIONS TO OCCUPY THE PROPERTY MUST BE FILED BY THE DEADLINE WITH THE CLERK OF THE BOARD OF SUPERVISORS AT THE COUNTY ADMINISTRATION BUILDING, 2800 WEST BURREL AVENUE, VISALIA.

SEALED PROPOSALS WILL BE OPENED AT THE BOARD OF SUPERVISORS MEETING ON SEPTEMBER 25, 2018 AT 9:00 AM, FOLLOWED BY AN ORAL BIDDING. THE BOARD OF SUPERVISORS WILL EITHER ACCEPT THE PROPOSAL IT DEEMS TO BE IN THE BEST INTEREST OF THE COUNTY OR REJECT ALL PROPOSALS.

A COPY OF THE LEASE TERMS, BID PROCESS AND SELECTION PROCESS MAY BE REQUESTED FROM THE CLERK OF THE BOARD OF SUPERVISORS.

FOR ADDITIONAL INFORMATION CALL ROBERT NEWBY AT 559-624-7240.

## EXHIBIT B

### LEASE TERMS, BID PROCESS AND SELECTION PROCESS

#### LEASE TERMS

1. Premises: 16,046 square feet (sq ft) of rentable space
2. Minimum Bid Base Rent: \$1.20 per sq ft
3. Common Area Maintenance Charges (CAMS): *fixed charge based on projected cost of operation and can fluctuate depending upon actual expenses. CAMS are adjusted annually.*
4. Tenant shall be responsible for Possessory Interest Taxes as assessed by the Tulare County Assessor's Office.
5. Minimum Initial Term: Five (5) years
6. Rent shall be paid monthly in advance.
7. Tenant must comply with insurance requirements of the office of Tulare County Risk Management.
8. Tenant will be responsible for any improvements to the building, subject to County approval.
9. Additional terms and conditions shall be delineated in a written lease negotiated between the successful bidder and the County of Tulare.

#### BID PROCESS

1. The 25<sup>th</sup> day of September 2018 at 9:00 AM in the chambers of the Board of Supervisors at 2800 W. Burrel in Visalia is hereby fixed as the time and place for a public meeting at which written bids shall be opened, examined and declared by the Board.
2. All bids shall be written, sealed and filed with the Clerk of the Board of Supervisors at the County Administration Building, 2800 West Burrel, Visalia, California, at or before 5:00 pm on September 24, 2018. The envelope in which the bid is delivered shall bear the following words: **"Bid on space 1062 S. K St., Tulare, Bid opening is September 25, 2018"**.

#### SELECTION PROCESS

1. After the sealed bids have been opened, examined and declared, the Board shall call for oral bids, which may be made by any responsible person present, and which shall exceed by not less than five percent (5%) the amount of the highest sealed bid made by a responsible person.
2. The Board reserves the right to reject all bids and/or to withdraw the property from lease. The Board reserves the right to waive any informality in the bid form. Each bid shall remain open and firm for thirty (30) days after bid opening unless the Board rejects all bids.
3. At the Board of Supervisors October, 2, 2018 meeting, the successful bidder will be approved and staff will be directed to negotiate specific lease terms and prepare a lease for execution and approval by the Board of Supervisors.
4. Within thirty (30) days after acceptance of a bid by the Board of Supervisors, the successful bidder shall execute the Lease and file necessary insurance documents. If the highest bidder should, for any reason, fail to consummate the lease, the Board may, in its discretion, award the lease to the next highest bidder (oral or sealed bid); and the award shall be binding and the next highest bidder shall thereafter consummate the lease as provided herein. The Board may exercise its rights under this provision as many times during the fifteen (15) day period following the bid opening as may be necessary in order to consummate the lease.