



**COUNTY OF SAN MATEO**  
**Inter-Departmental Correspondence**

County Manager's Office

**DATE:** October 30, 2006  
**BOARD MEETING DATE:** November 14, 2006  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** Majority

**TO:** Honorable Board of Supervisors

**FROM:** Steve Alms, Manager, Real Property Division

**SUBJECT:** First Amendment of the lease with KN Properties/Keet Nerhan for the Sonrisas Dental Clinic at 210 San Mateo Road, Half Moon Bay (Lease No. 1240).

**RECOMMENDATION:**

Adopt a resolution authorizing:

1. Execution of a First Amendment to Lease Agreement Between KN Properties/Keet Nerhan and the County of San Mateo, for the Lease of the Medical/Dental Space at 210 San Mateo Road, Half Moon Bay, California, and
2. The County Manager or designee to accept or execute on behalf of the County, any and all notices, options, consents, approvals, terminations and documents in connection with the Amendment and the Lease.

**VISION ALIGNMENT:**

**Commitment:** Ensure basic health and safety for all.

**Goal 8:** Help vulnerable people – the aged, disabled, mentally ill, at-risk youth and others – achieve a better quality of life. The amendment contributes to this commitment and goal by increasing the capacity of the County to offer needed dental services to the Coastside community.

**PERFORMANCE MEASURES:**

This facility is medical/dental space. Market rates for medical/dental space are significantly higher than for general office space. Although the rate of \$2.75 per square foot per month is significantly higher than the Countywide average asking rate of \$2.32 per square foot for general office space, it compares favorably with other medical/dental space in the County.

Measure	Actual	County-wide
Average Asking Rate:	\$2.75 per sq. ft.	\$2.32 per sq. ft.

**BACKGROUND:**

Since 2000, the County Health Department has leased approximately 1,000 square feet of medical/dental space at 210 San Mateo Road in Half Moon Bay. The space is leased for Sonrisas Community Dental Center, which is operated by Coastside Medical Dental Clinics, Inc. dba Sonrisas Community Dental Center, to provide dental services and education to low income, uninsured and underinsured families on the Coast. The clinic has served approximately 3,200 patients and sees approximately 1,500 of those patients per year. Sonrisas is currently the only dental provider on the Coast that accepts MediCal, Healthy Families and Healthy Kids insurance coverage. The current lease expires on November 30, 2006.

Extensive improvements needed to bring the facility into compliance with ADA Requirements have been identified in the County's transition plan. The Health Department is currently seeking a six-month extension of the Lease, which will provide sufficient time to determine the feasibility of making the necessary repairs and improvements, or to find and secure a new location that will meet ADA Requirements. The Health Department will present their findings and recommendations to this Board prior to May 31, 2007.

**DISCUSSION:**

The First Amendment to Lease extends the termination date of the existing Lease to May 31, 2007, but otherwise changes none of the terms or conditions of the existing Lease. The proposed Resolution also gives the County Manager, or his designee, the authority to sign notices, approvals and other documents in connection with the Amendment and the Lease.

The Director of the Health Department and the ADA Compliance Committee concur with this recommendation.

**FISCAL IMPACT:**

The current lease rate is \$16,500 for six-months, which is subject to adjustment in December 2006, based on the increase in the CPI over the past year. Adequate funds have been budgeted in the adopted 2006/2007 fiscal year budget.

cc:/enc: Lee Thompson, Deputy County Counsel  
cc: Charlene Silva, Director, Health Department  
Brian Zamora, Director, Public Health Services  
Arthur Morris, Deputy Director, Health