

## Attachment C

### Real Property Acquisition Questionnaire\* for ASR

(\*Applies to property purchase, or acquisition lease, license or easement)

#### Instructions:

- This questionnaire was developed with input from Auditor Controller, Internal Auditor and CEO Real Estate to assure that County leadership is fully informed.
- Insert the complete answer after each question below.
- When completed, save and include as an Attachment to your ASR.
- In the body of the ASR focus on the considerations relevant to the decision.
- If you need assistance, please contact CEO Real Estate.

1. What property interest is being considered for acquisition (fee, lease, license, easement)?

Second Amendment to Lease at 750 The City Drive

- a) Why is this property being considered for acquisition? The proposed site offers an excellent option to continue the current use for the Health Care Agency (HCA) to provide services for the Mental Health Services Act (MHSA).
- b) How and who identified this property for a potential acquisition? HCA and CEO/Real Estate agreed this is the best site option at this time.
- c) What factors are key in recommending this property for acquisition? Location and program service requirements are the key factors for recommending this site.
- d) How does the proposed acquisition fit into the County's/District's strategic or general plan? Providing a convenient central Orange County location for HCA to provide MHSA services, near major traffic arterials for ease of access.
- e) What are the short and long term anticipated uses of the property? HCA will use the site to provide service for this purpose or any other lawful purposes.
- f) Are there any limitations on the use of the property for its intended purposes? County shall use the Premises for MHSA services.

2. What analysis has been performed as to whether to acquire the proposed real property interest? HCA and CEO/Real Estate collaborated to determine that this location best fits program and client needs.

- a) Have there been any internally or externally prepared reports regarding this property acquisition? This is a no cost site for emergency purposes.
- b) Who performed the analysis? Jones Lang La Salle (JLL)
- c) Provide details about the analysis and cost/benefit comparison. This site was determined to be the best location for centralized emergency services.

3. How was the acquisition price, or lease/license rent, determined? JLL and CEO/Real Estate negotiate with the Landlord for optimal full service gross lease rate.

- a) Who performed the appraisal or market study and what certifications do they possess? This is a no cost agreement that provides emergency services.
- b) How does the price/rent compare with comparable properties? N/A
- c) Does the setting of the price/rent follow industry standards and best practices? N/A
- d) What are the specific maintenance requirements and other costs within the agreement and who is responsible? County will conduct its business in a quiet and orderly manner and deposit all rubbish, slop, and garbage in receptacles provided by the Association within the premises.

4. What additional post-acquisition remodeling or upgrade costs will be needed for the property to meet its intended use? Yes, landlord will provide a "turn-key" building condition based on a budget of one million eight hundred ninety-nine thousand two-hundred twenty-seven dollars and zero cents (\$1,899,227.00)

- a) Will any of the upgrades be required to meet County, ADA, or other standards and

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- requirements? Yes
- b) Include estimates of the costs. Yes
- c) What department will be responsible for the costs? HCA
5. Can the County terminate the purchase/easement, lease/license? No
- a) What would be necessary to terminate the agreement, and when can it be terminated? There is no termination clause in this lease agreement and amendments.
- b) Are there penalties to terminate the purchase/easement, or lease/license? Yes, paying the rents through the end of the lease.
6. What department will be responsible for the acquisition payments? Health Care Agency
- a) Are the acquisition costs budgeted in the department's budget? No, rent free.
- b) What fund number will the funds for the acquisition ultimately be drawn from?
- c) Will any restricted funds be used for the acquisition? (Check with the Auditor Controller's General Accounting Unit and Counsel if you have questions about whether restricted funds are involved.)  
No.
- d) If restricted funds will be used, has County Counsel advised that this is an allowable use of the proposed restricted funds? N/A
7. Does the proposed purchase/lease/license/easement agreement comply with the CEO Real Estate standard language? Yes
- a) List any modified clauses and reasons for modification.
- 4) Parking-different parking specifications than in the last amendment.
- 9) Rent-Rent will increase at an annual 3.5% rate.
- 12) Expansion Space-Additional space that will be available six months after April 1, 2025.
- 63) Amendment Conflict and Conditions-If conflicts between First and Second Amendment, Second Amendment shall remain in full force and effect.
- 64) Counterparts-Second Amendment may be executed in one or more electronic or original counterparts.

This is a second amendment to lease agreement that has been approved by County Counsel.