



Legislation Details (With Board Report)

File #:	A 22-157	Name:	Approve Contracts/Purchasing Lease Amendment No. 1 to Lease No. A-14644 with Parco Family Investments LP
Type:	BoS Agreement	Status:	Passed
File created:	4/5/2022	In control:	Board of Supervisors
On agenda:	4/19/2022	Final action:	4/19/2022

Title: a. Approve and authorize the Contracts/Purchasing Officer or designee to execute a month-to-month Lease Amendment No. 1 to Lease Agreement No. A-14644, retroactive to July 1, 2021, with Parco Family Investments LP, a California limited liability partnership, for approximately 1,824 rentable square feet of space located at 344 Salinas Street, Salinas, California, for use by the Monterey County Workforce Development Board; and
 b. Authorize the Auditor-Controller to make additional lease payments of \$3,083 per month in accordance with the terms of the Lease Agreement and Lease Amendment No. 1.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Attachment A – Lease Agreement, 3. Attachment B - Amendment No. 1, 4. Attachment C – Location Map, 5. Completed Board Order Item No. 96

Date	Ver.	Action By	Action	Result
4/19/2022	1	Board of Supervisors	approved	

a. Approve and authorize the Contracts/Purchasing Officer or designee to execute a month-to-month Lease Amendment No. 1 to Lease Agreement No. A-14644, retroactive to July 1, 2021, with Parco Family Investments LP, a California limited liability partnership, for approximately 1,824 rentable square feet of space located at 344 Salinas Street, Salinas, California, for use by the Monterey County Workforce Development Board; and
 b. Authorize the Auditor-Controller to make additional lease payments of \$3,083 per month in accordance with the terms of the Lease Agreement and Lease Amendment No. 1.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Approve and authorize the Contracts/Purchasing Officer or designee to execute a month-to-month Lease Amendment No. 1 to Lease Agreement No. A-14644, retroactive to July 1, 2021, with Parco Family Investments LP, a California limited liability partnership, for approximately 1,824 rentable square feet of space located at 344 Salinas Street, Salinas, California, for use by the Monterey County Workforce Development Board; and
 b. Authorize the Auditor-Controller to make additional lease payments of \$3,083 per month in accordance with the terms of the Lease Agreement and Lease Amendment No. 1.

SUMMARY:

Approval of the month-to-month Lease Amendment No. 1 to Lease Agreement No. A-14644 will establish an occupancy agreement adding approximately 1,824 square feet of rentable space within the America’s Job Center of California (AJCC)/One Stop facility in Salinas. This additional space provides a dedicated area for the Workforce Innovation and Opportunity Act (WIOA) Youth program and its staff on a month-to-month term.

DISCUSSION:

On March 10, 2020, the Board approved Lease Agreement No. A-14644 for use by the Monterey County Workforce Development Board (WDB) for an AJCC/One Stop facility to provide WIOA career services to the public, as well as office space for WDB staff for approximately 13,222 rentable square feet of space located at 344 Salinas Street, Salinas, California. The lease term commenced on May 1, 2020 and will expire on April 30, 2025. Commencement rent was set at \$22,345 per month for 13,222 rentable square feet of general office and training space. Monthly rent is “full service,” which includes property taxes, insurance, common area maintenance, PG&E, water, janitorial, trash removal, and 27 exclusive parking spaces. The WDB is responsible for the cost of security patrol and access.

The Lease Agreement provides for two (2) two-year extension options under the same terms and conditions, including two percent (2%) annual rental adjustments. In addition, monthly rent for the first month of the initial lease term was waived to help offset the WDB’s telephone, data cabling, and moving costs. A “Termination by County” clause (without penalty) is incorporated in the Lease Agreement. The property owner performed an estimated \$200,000 in building-related improvements to the common area and the leased premises. These improvements included Americans with Disabilities Act (ADA) and fire alarm system upgrades.

Due to relocation of the AJCC/One Stop facility from La Guardia Street to Salinas Street and the COVID-19 pandemic, the AJCC had been closed since the commencement of the lease term until mid-April 2021, when the AJCC was opened for appointments only.

Effective July 1, 2021, Turning Point of Central California, Inc. relocated its WIOA Youth program staff from their current location on San Luis Street to the Salinas AJCC. This resulted in a cost savings of \$20,000 per year in rent. With both adult and youth programs housed in the same location, there is a need to serve adults and youth in separate areas. This Lease Amendment will establish an occupancy agreement adding rentable space dedicated to youth program activities and staff.

Lease Amendment No. 1 to Lease Agreement No. A-14644 will provide for occupancy of approximately 1,824 rentable square feet of additional space on a month-to-month term. The term expiration date of April 30, 2025 for the original Lease Agreement for the other WDB spaces within 344 Salinas Street remains in effect. Rent for the additional space will be the at the same rate per square foot as the rent for the original Lease Agreement, a total of \$3,0832.56 per month. Lease Amendment No. 1 may be canceled upon thirty (30) days written notice. The property owner will perform minor premise improvements to accommodate the WDB’s move-in at the property owner’s expense.

On May 20, 2021, the WDB’s Executive Committee authorized the Executive Director to negotiate an agreement for the additional space, to be forwarded for approval by the WDB and final approval by the Board of Supervisors. Lease Amendment No. 1 is being retroactively presented before the Board for approval due to the Public Works, Facilities, and Parks (PWFP) Department staff being reassigned to assist on COVID-19 related emergency assignments.

OTHER AGENCY INVOLVEMENT:

The PWFP Department staff in collaboration with WDB staff facilitated the negotiations of Amendment No. 1 and assisted with the development of this report. The Office of County Counsel has reviewed and approved the proposed Amendment No. 1 as to form.

FINANCING:

There is no anticipated fiscal impact to the General Fund resulting from approval of the recommended items.

WIOA Adult, Dislocated Worker, and Youth funding will be used to fund one hundred percent (100%) of the lease payments and initial move-in costs, and is budgeted in Fund 021, Dept. 1050, Unit 8478, Appropriations Unit CAO030. One-time moving, signage, furniture, and technology set-up costs are estimated at \$9,000. Ongoing occupation of the leased premises and future extensions of the Lease Agreement will be based on the continued availability of funding.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This action correlates to the Administration and Health and Human Services initiative adopted by the Board of Supervisors by improving services to AJCC customers as well as communication and coordination among WIOA partners and WDB staff.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Reviewed by: Chris Donnelly, Workforce Development Board, Director
Approved by: Lindsay Lerable, Chief of Facilities
Approved by: Randell Ishii, MS, PE, TE, PTOE
Director of Public Works, Facilities, and Parks

Attachments:
Attachment A - Lease Agreement
Attachment B - Amendment No. 1
Attachment C - Location Map
(Attachments are on file with the Clerk of the Board)