



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 16-895, Version: 1

- a. Approve and authorize the Contracts/Purchasing Officer to executive a Lease Agreement for the term of July 1, 2016 through June 30, 2017, with the City of Greenfield for office space located at 599 El Camino Real, Greenfield, Monterey, California, for use by the Monterey County Workforce Development Board;
- b. Authorize the Auditor-Controller to make Lease payments of \$350.00 per month in accordance with the terms of the Lease Agreement;
- c. Authorize Contracts/Purchasing Officer to reimburse City of Greenfield with a one-time payment of approximately 50% of the cost for a door installation, at a cost to the County of \$2,152;
- d. Upon completion of the initial lease term, authorize the Contracts/Purchasing Officer to extend the term of the Lease Agreement for one (1) additional two (2) year term, with a rent increase per year limited to 3% of the original rent, or actual Consumer Price Index for the San Francisco Bay Area, whichever is lower; and
- e. Authorize minor revisions to the Lease Agreement, if deemed to be in the best interests of the County by the Contracts/Purchasing Officer and with the approval of County Counsel.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to executive a Lease Agreement for the term of July 1, 2016 through June 30, 2017, with the City of Greenfield for office space located at 599 El Camino Real, Greenfield, Monterey, California, for use by the Monterey County Workforce Development Board;
- b. Authorize the Auditor-Controller to make Lease payments of \$350.00 per month in accordance with the terms of the Lease Agreement;
- c. Authorize Contracts/Purchasing Officer to reimburse City of Greenfield with a one-time payment of approximately 50% of the cost for a door installation, at a cost to the County of \$2,152;
- d. Upon completion of the initial lease term, authorize the Contracts/Purchasing Officer to extend the term of the Lease Agreement for one (1) additional two (2) year term, with a rent increase per year limited to 3% of the original rent, or actual Consumer Price Index for the San Francisco Bay Area, whichever is lower; and
- e. Authorize minor revisions to the Lease Agreement, if deemed to be in the best interests of the County by the Contracts/Purchasing Officer and with the approval of County Counsel.

SUMMARY:

Approval of the proposed Lease Agreement will provide for occupancy of approximately 220 usable square feet of space to be used by the Workforce Development Board for training and support to area employers and job seekers. The lease term will commence on July 1, 2016 and expire on June 30, 2017. Rent will be \$350.00 per month. If the City of Greenfield and the County seek to extend the term of this lease, it is recommended that the Board authorize continuance of the Lease Agreement for a maximum of 2 additional years, with rent increases per year subject to a limit of either 3% or Actual Consumer Price Index for the San Francisco Bay Area, whichever is lower. Either party may terminate the sublease upon a 30-day written notice.

DISCUSSION:

The Economic Development Department Workforce Development Board (WDB) requests authorization to enter into a lease at 599 El Camino Real, Greenfield, California. The WDB will use these premises as a satellite site in south county offering three (3) public access computers and two staff assigned work stations; it will offer America's Job Center services and Ambassador's for Peace program services to youth ages 16-24. It will also use the premises to provide services to Adults/Dislocated workers, with priority afforded to veterans and their eligible spouses.

The WDB has been working with communities to offer employment training and placement program services where the customers are located. Greenfield is an area that has been underserved for some time. It is anticipated that Soledad and Gonzales will also use this location to access WDB employment services.

OTHER AGENCY INVOLVEMENT:

The Department of Public Works facilitated negotiations regarding the Lease Agreement, and assisted with the development of this report. The Office of the County Counsel has reviewed and approved the Lease Agreement as to form, and Risk Management has approved it as to insurance and indemnification provisions. The City Council of the City of Greenfield has approved the Lease Agreement and authorized its City Manager to sign the Lease Agreement on its behalf.

FINANCING:

There is no additional impact to the General Fund. Sufficient funds are available in the FY 2016-17 Economic Development Budget Unit 8427, Fund 007. On-going occupation of the leased premises will be based on the continued availability of funding. The leasing cost for the first year will amount to \$4,200, plus the one-time payment of approximately 50% of the cost of a door installation, at a cost to the County of \$2,152. The City of Greenfield will be responsible for costs associated with property taxes and assessments, fire insurance, maintenance, repairs, and utilities. The rent due during initial lease term will be subject to an annual 3% increase, or Actual CPI for the San Francisco Bay, whichever is lower, at the end of each additional year, for a maximum of two years, if the parties agree to extend the lease term.

Prepared by:

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Approved by:

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Director
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ATTACHMENTS:

Lease with City of Greenfield